Transport Canada Transports Canada

TRANSPORT CANADA

Departmental Performance Report

2014-15

Canada

Transport Canada

2014–15

Departmental Performance Report

The Honourable Marc Garneau, P.C., M.P.

Minister of Transport

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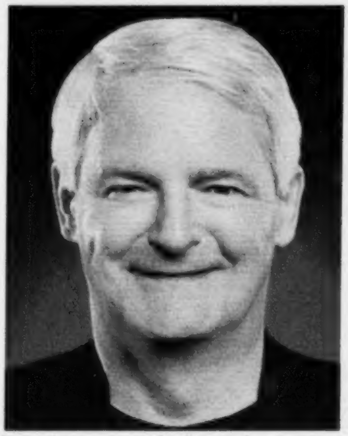
Minister's Message



As Canada's Minister of Transport, I am pleased to present Transport Canada's Departmental Performance Report for 2014-15. The report outlines the Department's achievements in ensuring Canada's transportation system continues to be recognized worldwide as safe and secure, efficient and environmentally responsible.

A safe and secure transportation system is critical to Canada's economic progress and directly affects the quality of life of Canadians. It meets the challenges posed by Canada's vast spaces and places and helps to connect people, regions and communities to one another and Canada's products to markets both at home and abroad.

Transport Canada creates, monitors and enforces standards that protect communities, users and the environment from harm and the transportation system from threats. Its legislative and regulatory activities enhance safety, uphold the public trust and ensure that industry is accountable for the safety and security of the transportation system.

In collaboration with provincial and territorial governments and international partners, the Department responds to issues impacting the wider transportation environment, such as evolving domestic and global supply chains, and works to harmonize policy and regulatory frameworks to advance Canada's objectives.

Over the next four years, we will ensure that our plans for roads, ports and airports are integrated and sustainable and that Canada's transportation system is safe and reliable in facilitating trade and the movement of people and goods in our ever dynamic world.

I look forward to working closely with stakeholders from across the country to meet the commitments outlined in my mandate letter[i] from the Prime Minister and to make strategic investments in Canada's transportation system to benefit Canadians in the years to come.

The Honourable Marc Garneau, P.C., M.P.
Minister of Transport

Section I: Organizational Expenditure Overview

Organizational Profile

Appropriate Minister: Marc Garneau, Minister of Transport

Institutional Head: Jean-François Tremblay, Deputy Minister

Ministerial Portfolio: Transport Canada

Transport Canada is part of the Transport Canada Portfolio[ii], which includes Transport Canada, shared governance organizations (e.g., the St. Lawrence Seaway Management Corporation[iii]), Crown corporations (e.g., the Great Lakes Pilotage Authority[iv], Canada Post Corporation[v]) and administrative tribunals/agencies (e.g., the Transportation Appeal Tribunal of Canada[vi]). Grouping these organizations into one portfolio allows for integrated decision making on transportation issues.

Enabling Instrument: *Department of Transport Act* [vii](R.S., 1985, c. T-18)

Transport Canada administers over 50 laws related to transportation[viii] and also shares the administration of many others. Access to the full text of federal acts and regulations is provided by Justice Canada, which is responsible for maintaining the Consolidated Statutes of Canada[ix].

Year of incorporation / Commencement: 1936

Organizational Context

Raison d'être

A safe and secure transportation system provides reliable and efficient movement of goods and people across the country and around the world. In an environmentally responsible way, it meets the challenges posed by topography and geography, linking communities and reducing the effects of the distance that separates people. These vital roles reflect transportation's interdependent relationship with all sectors of the economy and society.

OUR VISION
A transportation system in Canada that is recognized worldwide as safe and secure, efficient and environmentally responsible.

Transport Canada's Departmental vision of a sustainable transportation system integrates social, economic and environmental objectives. Our vision's three guiding principles are to work towards the following objectives:

- The highest possible safety and security of life and property, supported by performance-based standards and regulations;
- The efficient movement of people and goods to support economic prosperity and a sustainable quality of life, based on competitive markets and targeted use of regulation and government funding; and
- Respect of the environmental legacy of future generations of Canadians, guided by environmental assessment and planning processes in transportation decisions and selective use of regulation and government funding.

Responsibilities

Transport Canada[x] is responsible for the Government of Canada's transportation policies and programs. The Department develops legislative and regulatory frameworks, and conducts transportation oversight through legislative, regulatory, surveillance and enforcement activities. While not directly responsible for all aspects or modes of transportation, the Department plays a leadership role to ensure that all parts of the transportation system across Canada work together effectively.

The federal government, with Transport Canada in the lead, has sole responsibility for matters such as aviation safety and security; for other matters, we share responsibility with other government departments, and provincial, territorial and municipal governments. We must also work with trading partners and in international organizations to understand and harmonize policy and administrative frameworks, so as to protect Canadian users of the global transportation system while encouraging efficiency.

In areas for which Transport Canada does not have direct responsibility—for example, for building and maintaining road networks—we use strategic funding and partnerships to promote the safe, efficient and environmentally responsible movement of people and goods into and across the country. In this way, we play a leadership role to ensure that all parts of the transportation system across Canada and worldwide work together effectively and efficiently.

Strategic Outcomes and Program Alignment Architecture (PAA)

As illustrated in Figure 1, Transport Canada's Program Alignment Architecture includes 15 Programs that contribute to achieving the following three Departmental Strategic Outcomes:

1. An efficient transportation system;
2. A clean transportation system; and
3. A safe and secure transportation system.

The 16th Program, Internal Services, supports all three strategic outcomes.

To better align itself to the Government of Canada outcome areas[xi] the Department has modified its Program Alignment Architecture. Revisions from 2013–14 to 2014–15 include the following:

- Transfer of Program 1.4, Transportation Analysis and Innovation under Program 1.1, Transportation Marketplace Frameworks, to create a new sub-Program 1.1.5, Transportation Analysis and Innovation; and
- Deletion of sub-Program 3.1.3, Airports Capital Assistance program, and merging of activities within sub sub-Program 1.3.1.3, Small Aerodrome Support.

Figure 1: Transport Canada 2014–15 Program Alignment Architecture (PAA)

1 An Efficient Transportation System

- **1.1 Transportation Marketplace Frameworks**
  - 1.1.1 Air Marketplace Framework
  - 1.1.2 Marine Marketplace Framework
  - 1.1.3 Surface Marketplace Framework
  - 1.1.4 International Frameworks and Trade
  - 1.1.5 Transportation Analysis and Innovation
- **1.2 Gateways and Corridors**
  - 1.2.1 Asia-Pacific Gateway and Corridor Initiative
  - 1.2.2 Gateways and Border Crossings Fund
- **1.3 Transportation Infrastructure**
  - 1.3.1 Airport Infrastructure
    - 1.3.1.1 Airport Authority Stewardship
    - 1.3.1.2 Airport Operations
    - 1.3.1.3 Small Aerodrome Support
  - 1.3.2 Marine Infrastructure
    - 1.3.2.1 Canada Port Authority Stewardship
    - 1.3.2.2 Seaway Stewardship and Support
    - 1.3.2.3 Ferry Services Stewardship and Support
    - 1.3.2.4 Port Operations
  - 1.3.3 Surface and Multimodal Infrastructure
    - 1.3.3.1 Rail Passenger Stewardship and Support
    - 1.3.3.2 Federal Bridge Stewardship
    - 1.3.3.3 Highway and Other Transportation Infrastructure Support

2 A Clean Transportation System

- **2.1 Clean Air from Transportation**
  - 2.1.1 Clean Air Regulatory Framework and Oversight
  - 2.1.2 Clean Air Initiatives
- **2.2 Clean Water from Transportation**
  - 2.2.1 Clean Water Regulatory Framework
  - 2.2.2 Clean Water Regulatory Oversight
- **2.3 Environmental Stewardship of Transportation**

3 A Safe and Secure Transportation System

- **3.1 Aviation Safety**
  - 3.1.1 Aviation Safety Regulatory Framework
  - 3.1.2 Aviation Safety Oversight
    - 3.1.2.1 Service to the Aviation Industry
    - 3.1.2.2 Surveillance of the Aviation System
  - 3.1.3 Aircraft Services
- **3.2 Marine Safety**
  - 3.2.1 Marine Safety Regulatory Framework
  - 3.2.2 Marine Safety Oversight
  - 3.2.3 Navigable Waters Protection
- **3.3 Rail Safety**
  - 3.3.1 Rail Safety Regulatory Framework
  - 3.3.2 Rail Safety Oversight
  - 3.3.3 Rail Safety Awareness and Grade Crossing Improvement
- **3.4 Motor Vehicle Safety**
  - 3.4.1 Motor Vehicle Safety Regulatory Framework
  - 3.4.2 Motor Vehicle Safety Oversight
  - 3.4.3 Motor Carrier Safety
- **3.5 Transportation of Dangerous Goods**
  - 3.5.1 Transportation of Dangerous Goods Regulatory Framework
  - 3.5.2 Transportation of Dangerous Goods Oversight
  - 3.5.3 Emergency Response for Transportation of Dangerous Goods
- **3.6 Aviation Security**
  - 3.6.1 Aviation Security Regulatory Framework
  - 3.6.2 Aviation Security Oversight
  - 3.6.3 Aviation Security Technological Infrastructure
- **3.7 Marine Security**
  - 3.7.1 Marine Security Regulatory Framework
  - 3.7.2 Marine Security Oversight
  - 3.7.3 Marine Security Operations Centres
- **3.8 Surface and Intermodal Security**
- **3.9 Multimodal Safety and Security**
  - 3.9.1 Multimodal Strategies and Integrated Services
  - 3.9.2 Emergency Preparedness and Situation Centres
  - 3.9.3 Integrated Technical Training

- **4.1 Internal Services (Supports all SOs)**
  - 4.1.1 Governance and Management Support
  - 4.1.2 Resource Management Services
  - 4.1.3 Asset Management Services

LEGEND	Strategic Outcome	Program	Sub-Program or Sub-sub-Program

Organizational Priorities

In the Report on Plans and Priorities, Transport Canada identified five priorities for 2014–15. These priorities align with Government of Canada (GoC) priorities, help the Department achieve our Strategic Outcomes and address risks. Over the course of the year, senior management paid special attention to the plans developed to meet these priorities and achieve results.

Priority	Type[1]	Strategic Outcomes and Programs
Refine and strengthen Transport Canada's safety and security oversight	Ongoing	SO3 A Safe and Secure Transportation System (All programs)

Summary of Progress

- We further strengthened railway safety and safe transportation of dangerous goods by rail in Canada by issuing several Emergency Directives, Protective Directions, and Ministerial Orders. These actions were informed by the Transportation Safety Board's interim and final investigation reports on the 2013 Lac-Mégantic accident, as well as a Standing Committee on Transport, Infrastructure and Communities study on the Canadian Transportation of Dangerous Goods regime and the role of Safety Management Systems (SMS) across all modes of transportation.
- Specifically, we implemented key safety and oversight-related measures that include:
    - mandating the removal of the least crash-resistant DOT-111 tank cars from dangerous goods service;
    - introducing new safety standards for DOT-111 tank cars while ordering the retrofit or phase-out of those that do not meet new standards;
    - requiring companies to slow trains transporting dangerous goods;
    - implementing emergency response assistance plans for tank cars carrying certain flammable liquids;
    - mandating the provision of information from railways to municipalities on dangerous goods transported through them;
    - creating a task force to strengthen emergency response capacity;
    - requiring railways to apply and test handbrakes on locomotives and rail cars;
    - increasing the number of audits conducted on railways' SMS; and
    - amending the Railway SMS Regulations, the Railway Operating Certificate Regulations, and the Railway Safety Administrative Monetary Penalties Regulations.

The purpose of these amendments is to ensure the railways have a robust SMS in place, and to grant Transport Canada stronger powers to issue administrative monetary penalties or revoke operating certificates for non-compliance with safety requirements or SMS regulations.

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[1] Type is defined as follows: previously committed to—committed to in the first or second fiscal year prior to the subject year of the report; ongoing—committed to at least three fiscal years prior to the subject year of the report; and new—newly committed to in the reporting year of the Report on Plans and Priorities or Departmental Performance Report.

- We completed 23 Aviation Safety People Management Action Plan initiatives, including the development of the "Leadership in a Technical Environment" course, which we will implement nationally across all modes.
- We developed new human resources plans that strengthen recruitment within the Department, and created new inspector positions along with new training tools and programs to enhance enforcement capacity.
- We assessed and developed a Multimodal Training Blueprint and established the Safety and Security Multimodal Core Learning Continuum.
    - We created the Centre of Enforcement Expertise, supported by a national enforcement policy, to deliver a balance of authority and advisory functions with more consistent direction and guidance in support of the TC's enforcement regime. The Centre will promote effective, predictable, transparent and fair enforcement practices, founded on a risk-based and a graduated approach to enforcement, supported by procedures, training and tools that will be applied across all programs and regions.
- We also refined our National Inspection Plans to provide a clearer picture of each program's oversight regime and to include reporting on quality control checks. Work is ongoing as part of the Safety and Security Transformation Agenda to strengthen methodologies and continuous improvements supporting risk-based inspection planning.

Work in Progress

- Transport Canada continues to strengthen its human resources planning practices and is taking concrete steps to further strengthen oversight capacity, including adjusting the number of inspectors, where required.
- Transport Canada, in collaboration with key stakeholders, is working with the U.S. Department of Transportation, the U.S. Environmental Protection Agency and the U.S. Coast Guard to implement eight work plans as part of the second phase of Regulatory Cooperation Council (RCC) to support department-to-department commitments included in the Joint Forward Plan, released on August 29, 2014.

Priority	Type	Strategic Outcomes and Programs
Continue to contribute to the Government's Responsible Resource Development agenda	Ongoing	SO2 A Clean Transportation System (All Programs) SO3 A Safe and Secure Transportation System (Programs 3.2 and 3.9)
Summary of Progress		

- Transport Canada contributed to the "Whole-of-Government" approach to environmental assessment, Aboriginal consultation and regulatory review of major resource projects, including working closely with other government departments to ensure a coordinated and efficient approach to applying Major Projects Management Office (MPMO) and Northern Projects Management Office (NPMO) processes. We:
  - supported the MPMO in the renewal of the MPMO initiative, announced in Budget 2015;
  - were involved in completing three transitional comprehensive studies and two review panels within the legislated timelines; and
  - are currently involved in 56 of the 89 MPMO projects and 32 of 35 active NPMO projects.
- In addition, to delivering training and awareness sessions for key groups across the Department, we drafted several guidance documents connected to our roles and responsibilities under the *Canadian Environmental Assessment Act, 2012* and the northern environmental assessment regimes. Examples included:
  - guidance relating to our role as a Federal Authority under the *Canadian Environmental Assessment Act, 2012*;
  - operational guidance on our Environmental Assessment Monitoring and Oversight Program; and
  - guidance on what constitutes submerged federal lands.
- We implemented the new Navigation Protection Program with streamlined approaches for reviewing major resource development projects—the new *Navigation Protection Act* came into force on April 1, 2014.
- We supported the Government of Canada's commitment to implement the World-Class Tanker Safety System initiative to enhance Canada's robust marine safety system by strengthening ship-source spill prevention, preparedness and response, and liability and compensation. The World-Class Tanker Safety System initiative achieved a number of important accomplishments:
  - We met our commitment to review Canada's ship-source spill preparedness and response regime. The Tanker Safety Expert Panel concluded its review and in spring 2015, the Panel's second report was released. It includes recommendations on ship-source spills in the Arctic, hazardous and noxious substances across Canada, and marine incident management, which will help inform the Department's consideration of next steps in further strengthening Canada's regime for ship-source spill prevention, preparedness, and response.
  - We strengthened regulatory oversight of marine shipping. In May 2014, the Government announced new measures as part of the World-Class Tanker Safety System initiative, and in December 2014, Parliament successfully passed the *Safeguarding Seas and Skies Act*, which will strengthen regulatory requirements for oil handling facilities and expand the Department's range of enforcement tools.
- We engaged First Nations in technical dialogues to identify issues and potential solutions to concerns related to marine shipping of proposed liquefied natural gas projects.
- We replaced the policy on equivalent protection for the double-hulling of oil barges with an updated technical guidance document.

Work in Progress

- Transport Canada continued to contribute to timely and effective reviews of major resource projects, most notably the large number of proposed energy infrastructure projects.

- Our work continued under the World-Class Tanker Safety System initiative including:
    - the World-Class Inspection Policy, Procedures and Work Instructions we drafted over the last year, and which are currently under review along with the training course materials;
    - the regulatory project associated with *Safeguarding Canada's Seas and Skies Act* is underway, including activities such as defining classes of oil handling facilities;
    - delivery of a new contribution program for Ocean Networks Canada (ONC)'s Smart Oceans initiative to help ONC transform the oceanographic data it collects into navigational safety information; and,
    - continued engagement with local/regional stakeholders and Aboriginal groups to designate Kitimat as a public port to enhance vessel traffic control.

Priority	Type	Strategic Outcome and Programs
Improve Canada's competitiveness and critical transportation infrastructure	Ongoing	SO1 An Efficient Transportation System (Program 1.2) SO3 A Safe and Secure Transportation System (Program 3.6)
Summary of Progress		

- Transport Canada promoted Canada's Gateways initiatives, including the Asia-Pacific Gateway and Corridor Initiative, the Atlantic Gateway and Trade Corridor, and the Continental Gateway and Trade Corridor objectives, through domestic and international outreach, stakeholder engagement, and creation/ distribution of promotional and marketing materials.
- We supported the Asia-Pacific Gateway and Corridor Transportation Infrastructure Fund (APGCTIF) activities. Also, TC launched an open-call for proposals for the remainder of the Atlantic Gateway International Marketing Fund, a component of the Gateways and Border Crossings Fund (GBCF).
- Oversight responsibility for the new bridge over the St. Lawrence was transferred to Infrastructure Canada as a result of an Order in Council signed in February 2014.
- The Department continued to play a key role in implementing the Beyond the Border Action Plan, to install border wait-time measurement solutions at the top 20 high-priority land-border crossings. To date, border wait-time technology is installed bi-directionally at seven of these crossings:
    - four between British Columbia and Washington;
    - two between Ontario and New York; and
    - one between Ontario and Michigan.
- We also fulfilled our annual commitment by adopting a risk-based screening program, harmonized with that of the Transportation Security Administration in the U.S., for NEXUS[2] and other low-risk travellers at the Canadian Air Transport Security Authority trans-border screening checkpoints at

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[2] NEXUS is a bi-national, Canada-United States program for pre-approved, low-risk travellers entering Canada or the United States at designated air, land and marine ports of entry.

four major Canadian airports.

Work in Progress

- The Gordie Howe International Bridge (renamed from Detroit River International Crossing on May 14, 2015) project continued to advance to the procurement stage. All agreements with Michigan and U.S. federal inspection agencies were concluded. Property acquisition in Michigan is underway and the Windsor-Detroit Bridge Authority continues to advance the project.

Priority	Type	Strategic Outcomes and Programs
Ensure that Transport Canada's policies, programs and activities will meet the needs of the transportation system in the long term	Ongoing	SO1 An Efficient Transportation System (All Programs) SO2 A Clean Transportation System (All Programs) SO3 A Safe and Secure Transportation System (Program 3.6) Program 4.1 Internal Services

Summary of Progress

- We completed a review of marine policies and identified and addressed several issues to support economic growth. For example:
  - adopted amendments to the *Canada Marine Act* to support port-related economic development by enabling port asset transfers and project development at Canada Port Authorities;
  - supported the Canada-European Union Comprehensive Economic and Trade Agreement negotiations; and
  - began to develop amendments to the *Coasting Trade Act* to implement the relevant negotiated outcomes.
- Canada and the U.S. concluded and signed a new preclearance agreement covering all modes of transportation on March 16, 2015.
- Canada maintained minimum grain volume requirements on the railways to protect our reputation as a reliable source of high quality grains.
- Also, we developed options for a stronger third-party liability and compensation regime for rail in response to a 2013 Speech from the Throne commitment. Bill C-52 was introduced in Parliament on February 20, 2015 and was passed in June 2015.
- We pursued a targeted approach in carrying out initiatives under the umbrella of the Innovation Strategy, including:
  - advancing joint research projects through Canada-China and Canada-India Innovation Cooperation agreements;
  - sharing best practices including on Intelligent Transportation Systems technologies; and
  - successfully hosting Chinese and Indian working group delegations.
- Several important climate change adaptation initiatives were undertaken including:

  - collaboration with Natural Resources Canada and experts across Canada, to create an Advisory Committee, and initiated the Assessment of climate risks and adaptation practices for the Canadian transportation sector, including seven chapters such as the north, regional and urban areas;
  - engagement with academics, federal, provincial, territorial and municipal governments by developing networks, and initiating assessments of transportation system vulnerabilities;
  - the initiation of Transport Canada's adaptation webinar series to strengthen knowledge and capacity, with the first two webinars reaching 129 and 54 participants respectively from the three levels of government, professionals and other interested stakeholders in Canada;
  - continued implementation of Transport Canada's Adaptation Plan; and
  - better integration of climate and extreme weather considerations into Departmental planning processes.

Work in Progress

- The *Canada Transportation Act* Review Panel continued consultations with stakeholders and undertook research projects to support the work required under its mandate.
- We launched a review of the Grain Monitoring Program on March 28, 2015, that will be completed in 2015–16 before the start of the new crop year. It will determine how we can collect more effective data to find efficiencies in the supply chain.

Priority	Type	Strategic Outcomes and Programs
Adopt the Government of Canada's efficiency and renewal measures	New	All SOs and Programs

Summary of Progress

- Transport Canada achieved its planned savings by taking efficiency measures and reducing programs in order to align resources to its core mandate. This was achieved focusing on long-term benefits, optimizing some business processes; better risk identification and mitigation strategies; as well as engaging employees to minimize the effect on them and on Canadians. Examples include:
  - organizational realignments, including workforce management and major reorganizations, in support of Budget 2012 decisions, consolidating of back office functions and other major change initiatives;
  - a budget normalization exercise to align regional human resources services. This initiative has further evolved and TC is now using a new Human Resources Service delivery model focused on a national portfolio approach; and
  - successful implementation of all seven process areas of the Common Human Resources business process.

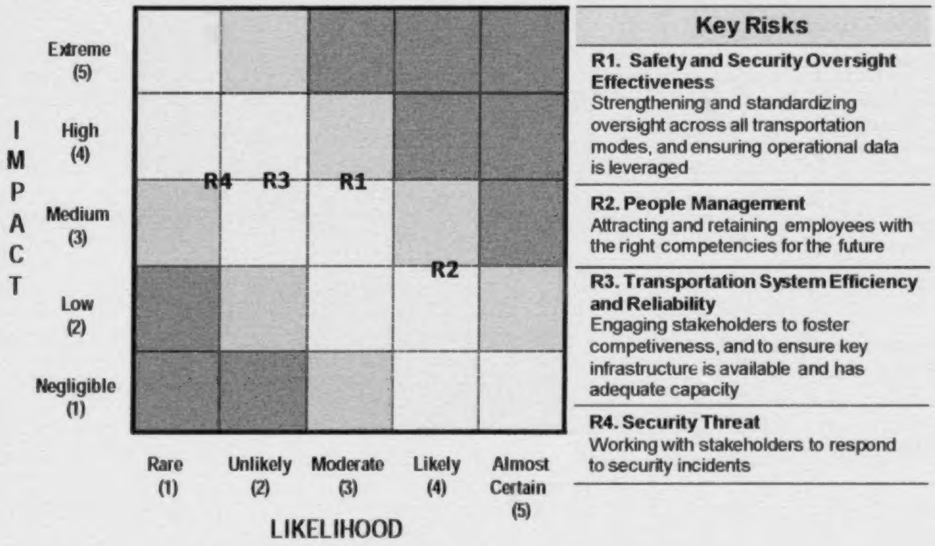
Risk Analysis

Risk refers to the likelihood and impact of an event that could affect the achievement of an organization's objectives. A number of risks could affect the Canadian transportation system as it involves multiple jurisdictions, private sector stakeholders and users, and is exposed to global threats and ongoing social, economic and environmental changes.

Transport Canada's (TC) practices must always respond to shifting conditions in an ever changing transportation system. Potential non-compliance to safety requirements and increasing security threats continue to pose challenges to all modes of transportation that TC regulates. The accident at Lac-Mégantic, Quebec, in July 2013 underscores the complexity of issues that TC must address. The Corporate Risk Profile is a key tool to ensure that TC continues to remain abreast of continuing changes in the transportation system through strengthened internal governance and appropriate oversight processes to ensure safety and security risks are adequately mitigated.

In 2013, we identified and assessed the following four risk areas as part of TC's Corporate Risk Profile (CRP):

Figure 2: Transport Canada's Corporate Risk Profile



Key Risks

R1. Safety and Security Oversight Effectiveness
Strengthening and standardizing oversight across all transportation modes, and ensuring operational data is leveraged

R2. People Management
Attracting and retaining employees with the right competencies for the future

R3. Transportation System Efficiency and Reliability
Engaging stakeholders to foster competiveness, and to ensure key infrastructure is available and has adequate capacity

R4. Security Threat
Working with stakeholders to respond to security incidents

Key Risks and Risk Responses

Transport Canada applies risk management to support its decision making and business practices, including how we develop policy, set priorities, allocate resources, deliver programs, and conduct day-to-day activities. Part of our risk management approach includes ongoing risk monitoring and a semi-annual report on progress and overall performance of risk responses. The year-end reporting indicated significant progress in implementing risk responses. For example, we launched several measures in order to facilitate advancing:

- The Beyond the Border Action Plan;
- Climate Change Adaptation;
- The Gordie Howe International Bridge (formerly known as the Detroit River International Crossing); and
- The Action Plan for Rail Safety as set out in the 2013 Report of the Auditor General.

Progress and key results on risk responses we took in 2014–15 are presented in the following table:

Risk	Key Results of Risk Response Implementation	Link to Program Alignment Architecture
R1. Safety and Security Oversight Effectiveness	• Advanced quality assurance practices in Safety and Security Programs and improved the effectiveness, efficiency, and consistency of oversight management. • Made significant progress on implementing recommendations from the Auditor General's 2013 Report, including developing key regulations and adopting a human resources strategy. We also completed the development and adoption of a program to support regulatory capacity-building. • Issued a number of Emergency Directives and Ministerial Orders on train securement and rail transportation of dangerous goods to enhance the safety of railway operations in Canada, following the Transportation Safety Board's final investigation report on the 2013 Lac-Mégantic accident. • Refined national inspection plans and continued to strengthen methodologies behind risk-based inspection planning, as part of the Safety and Security Transformation Agenda. • Continued to strengthen IM/IT systems across Programs to improve surveillance, compliance and internal management, with particular emphasis on enhanced data	SO3 A safe and secure transportation system

Risk	Key Results of Risk Response Implementation	Link to Program Alignment Architecture
	management systems and increased oversight capability.	
R2. People Management	• Made significant progress in integrating people management strategies into workforce planning and learning development, for all three Strategic Outcomes.	Across all three SOs and Internal Services
R3. Transportation System Efficiency and Reliability	• Advanced: o negotiations with property and utility owners in Canada and in particular with the City of Windsor for perimeter access road; and o geotechnical work in both Canada and U.S. for the Gordie Howe International Bridge project. • Continued to review Government policies, programs and regulations related to the air, marine and rail sector. In June 2014, we successfully launched the arms-length *Canada Transportation Act* Review, one year earlier than originally planned. • Carried out Beyond the Border Action Plan initiatives: o A new Canada-U.S. preclearance agreement covering all modes was signed on March 16, 2015. o The second Canada-U.S. Border Infrastructure Investment Plan was published on February 4, 2015. o Transport Canada also supported commitments under Canada-U.S. Regulatory Cooperation Council (RCC). • Began work that will strengthen knowledge and capacity related to climate risks to the transportation sector and adaptation and improve the integration of climate considerations into decision making. • Continued work to finalize legislation, regulations and programs that support clean transportation under the Clean Air Agenda.	SO1 An efficient transportation system SO2 A clean transportation system

Risk	Key Results of Risk Response Implementation	Link to Program Alignment Architecture
R4.Security Threat	• Closely monitored cyber threats to the TC's mission-critical infrastructure. We completed the Cyber Security Terminal and Vessels Project and Maritime Cyber Security Strategic Framework. • Strengthened our security program capacity, including the: o Marine Security Oversight and Enforcement Program; and o Surface and Intermodal Security Oversight Program. • Continued to strengthen infrastructure security by developing new Memorandum of Understanding with international bridge operators.	SO3 A safe and secure transportation system

The Canadian transportation system continues to be affected by pressures which present both challenges and opportunities for TC.

In terms of strengths and opportunities, TC has continued to demonstrate leadership in promoting a national vision by supporting greater harmonization and integration across transportation modes and with partner jurisdictions (e.g., harmonization of oversight activities continues through the TC Directive on Safety and Security Oversight, harmonization of regulations with the U.S. continues through the Canada-U.S. Regulatory Cooperation Council).

Additionally, the workplace renewal initiative, including Destination 2020, has helped TC to promote innovation and advance communications with its employees, partners and the public through social media, web and mobile technologies which, in turn, enhanced collaboration.

The proactive and continuous management of safety and security risks remains important to Canada's economy, in reducing threats and enhancing public confidence. TC has implemented strengthened measures to reduce incidents that may negatively affect the transportation system, as well as Canada's economic growth and competitiveness.

Actual Expenditures

The following table gives a summary of Transport Canada's total budgetary financial resources for the fiscal year 2014–15. For more details on Financial Resources, including adjustments, please visit Transport Canada's website.

Budgetary Financial Resources (dollars)

2014–15 Main Estimates	2014–15 Planned Spending[3]	2014–15 Total Authorities Available for Use)	2014–15 Actual Spending (authorities used)	Difference (planned minus actual)
1,655,682,494	1,667,473,998	1,917,924,654	1,605,081,311	62,392,687

We attribute the variance between planned and actual spending to a number of factors including:

- an increase in funding received (over 2014–15 RPP levels) for the statutory payment to the St. Lawrence Seaway Management Corporation ($23.6M) and additional funding for the Gordie Howe International Bridge ($12.9M);
- new initiatives such as a replacement vessel for the *MV Princess of Acadia* ($75.9M); and
- the renewal of the ferry services contribution program ($27.6M) and the Port Asset Transfer Program ($9.2M).

The increase in plans was offset by lower than anticipated planned spending under the Gateways and Border Crossing Fund and the Asia-Pacific Gateway and Corridor Initiative, particularly as a result of:

- delivery delays of infrastructure projects; and
- delays in property acquisition, schedule changes due to complex utility relocation, and due diligence activities in Michigan associated with the Gordie Howe International Bridge.

The following table gives a summary of Transport Canada's total human resources (Full-time equivalents—FTEs) for the fiscal year 2014–15.

Human Resources

2014–15 Planned	2014–15 Actual	Difference (planned minus actual)
5,222	4,976	246

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[3] The 2014–15 Planned Spending exceeds 2014–15 Main Estimates funding because it includes expected expenditures related to maternity and severance pay, which are funded by Treasury Board Secretariat later in the fiscal year.

The planned FTE information in Transport Canada's Departmental Performance Report (5,222 FTEs in 2014–15) is mostly based on historical information and government decisions that either increase (e.g., new programs) or decrease (change in mandate or priorities) the number of TC employees.

Budgetary Performance Summary for Strategic Outcomes and Programs (dollars)

The following tables present the:

- Planned spending for 2014–15 and for the next two fiscal years, by Program, in support of each Strategic Outcome;
- Total actual Departmental spending for all Programs for 2014–15 and for the previous two fiscal years; and
- Program contribution alignments of Strategic Outcomes 1, 2 and 3 to the Government of Canada outcomes.

Planned spending includes Operating, Capital, Grants and Contributions and Statutory Votes as per the Main Estimates as well as $11.8 million in planned spending for paylist (maternity, severance) items. For explanations of planned spending, please consult Transport Canada's 2014–15 Report on Plans and Priorities[xii].

Total Authorities (available for use) represent the year-end budgets as per Public Accounts. It includes Operating, Capital, Grants and Contributions and Statutory Votes as well as all frozen allotments.

Actual Spending (authorities used) represents the spending for the full fiscal year as per Public Accounts, which includes expenditures in the Operating, Capital, Grants and Contributions and Statutory Votes.

As the tables in Section II illustrate, some Programs appear to have exceeded the total resources available for their Program. A contributing factor to the variances is that the planned spending figures do not reflect internal realignments deemed necessary to fund emerging issues, departmental priorities and adjustments in program delivery.

Strategic Outcomes, Programs and Internal Services	Government of Canada Outcomes	2012–13 Actual Spending (authorities used)	2013–14 Actual Spending (authorities used)	2014–15 Planned Spending	2014–15 Main Estimates	2014–15 Total Authorities (available for use)	2014–15 Actual Spending (authorities used)	2015–16 Planned Spending	2016–17 Planned Spending
Strategic Outcome 1: An Efficient Transportation System[4]									
1.1 Transportation Marketplace Frameworks	A fair and secure marketplace	9,041,585	11,917,295	24,854,622	24,854,622	27,650,224	28,290,806	24,473,890	21,393,723
1.2 Gateways and Corridors	Strong economic growth	395,779,632	336,988,453	702,272,494	702,272,494	711,748,677	448,362,484	576,569,290	110,140,965
1.3 Transportation Infrastructure	An innovative and knowledge-based economy	309,656,203	363,848,205	333,815,823	333,815,823	497,706,340	455,366,393	399,495,001	350,031,572
1.4 Transportation Analysis and Innovation	An innovative and knowledge-based economy	9,471,905	12,885,608	0	0	0	0	0	0
Strategic Outcome 1 Subtotal[5]		723,949,325	725,639,561	1,060,942,939	1,060,942,939	1,237,105,241	932,019,683	1,000,538,181	481,566,260

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[4] Program 1.4 Transportation Analysis and Innovation was transferred under Program 1.1 Transportation Marketplace Frameworks, to create a new sub-Program 1.1.5 Transportation Analysis and Innovation.

[5] Due to rounding, column totals shown may not be exact.

Strategic Outcomes, Programs and Internal Services	Government of Canada Outcomes	2012–13 Actual Spending (authorities used)	2013–14 Actual Spending (authorities used)	2014–15 Planned Spending	2014–15 Main Estimates	2014–15 Total Authorities (available for use)	2014–15 Actual Spending (authorities used)	2015–16 Planned Spending	2016–17 Planned Spending
Strategic Outcome 2: A Clean Transportation System									
2.1 Clean Air from transportation	A clean and healthy environment	18,760,359	27,755,589	38,992,028	38,992,028	31,358,409	24,011,027	29,417,677	4,506,789
2.2 Clean Water from transportation	A clean and healthy environment	6,947,514	16,198,195	18,074,900	18,074,900	28,553,438	24,421,705	31,902,400	26,896,996
2.3 Environmental Stewardship of transportation	A clean and healthy environment	20,059,193	29,431,954	29,171,557	29,171,557	43,124,602	44,745,522	33,906,726	10,734,397
Strategic Outcome 2 Subtotal[6]		45,767,066	73,385,738	86,238,485	86,238,485	103,036,449	93,178,254	95,226,803	42,138,182
Strategic Outcome 3: A Safe and Secure Transportation System[7]									
3.1 Aviation Safety	A safe and secure Canada	198,628,602	184,628,770	170,709,221	170,709,221	189,711,582	188,941,065	173,447,956	172,861,136
3.2 Marine Safety	A safe and secure Canada	56,492,575	59,638,305	56,003,982	56,003,982	69,597,720	69,847,859	57,475,536	53,463,452

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[6] Due to rounding, column totals shown may not be exact.
[7] Sub-Program 3.1.3 Airports Capital Assistance was deleted and activities merged within sub sub-Program 1.3.1.3 Small Aerodrome support.

Strategic Outcomes, Programs and Internal Services	Government of Canada Outcomes	2012–13 Actual Spending (authorities used)	2013–14 Actual Spending (authorities used)	2014–15 Planned Spending	2014–15 Main Estimates	2014–15 Total Authorities (available for use)	2014–15 Actual Spending (authorities used)	2015–16 Planned Spending	2016–17 Planned Spending
3.3 Rail Safety	A safe and secure Canada	34,213,510	29,250,946	34,265,437	34,265,437	36,881,268	35,333,175	35,707,671	35,525,338
3.4 Motor Vehicle Safety	A safe and secure Canada	22,458,347	26,152,233	20,905,007	20,905,007	24,090,043	25,940,392	22,723,248	20,089,942
3.5 Transportation of Dangerous Goods	A safe and secure Canada	12,756,370	14,663,095	14,727,734	14,727,734	21,122,353	22,740,646	15,322,623	15,279,721
3.6 Aviation Security	A safe and secure Canada	33,706,392	29,743,295	31,672,052	31,672,052	35,624,038	32,722,389	29,791,738	29,516,367
3.7 Marine Security	A safe and secure Canada	14,005,041	12,331,970	12,788,946	12,788,946	14,765,418	14,429,160	12,872,129	12,782,279
3.8 Surface and Intermodal Security	A safe and secure Canada	3,967,849	4,280,788	4,739,231	4,739,231	5,099,930	5,096,531	4,703,731	4,573,144
3.9 Multimodal Safety and Security	A safe and secure Canada	0	10,722,526	11,153,164	11,153,164	18,322,753	19,315,574	10,890,897	10,785,344
Strategic Outcome 3 Subtotal[8]		376,228,686	371,411,928	356,964,774	356,964,774	415,215,105	414,366,791	362,935,529	354,876,723

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[8] Due to rounding, column totals shown may not be exact.

Strategic Outcomes, Programs and Internal Services	Government of Canada Outcomes	2012–13 Actual Spending (authorities used)	2013–14 Actual Spending (authorities used)	2014–15 Planned Spending	2014–15 Main Estimates	2014–15 Total Authorities (available for use)	2014–15 Actual Spending (authorities used)	2015–16 Planned Spending	2016–17 Planned Spending
4.1 Internal Services		186,533,092	170,195,608	163,327,800	151,536,296	162,567,859	165,516,583	156,311,765	147,614,053
Internal Services Subtotal[9]		186,533,092	170,195,608	163,327,800	151,536,296	162,567,859	165,516,583	156,311,765	147,614,053
Total[10]		1,332,478,169	1,340,632,835	1,667,473,998	1,655,682,494	1,917,924,654	1,605,081,311	1,615,012,278	1,026,195,218

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[9] Due to rounding, column totals shown may not be exact.

[10] Ibid.

Alignment of Spending with the Whole-of-Government Framework

2014–15 Actual Spending by Whole-of-Government-Framework Spending Area (dollars)

Total Actual Spending by Spending Area (dollars)[11]

Spending Area	Government of Canada Outcome	Total Planned Spending	Total Actual Spending
Economic Affairs	Fair and secure marketplace	24,854,622	28,290,806
	Strong economic growth	702,272,494	448,362,484
	A clean and healthy environment	86,238,485	93,178,254
	An innovative and knowledge-based economy	333,815,823	455,366,393
Social Affairs	A safe and secure Canada	356,964,774	414,366,791
International Affairs	Not applicable	0	0
Government Affairs	Not applicable	0	0

Departmental Spending Trend

Figure 3 shows Transport Canada's spending profile from 2012–13 to 2017–18. The profile shows expenditures of:

- $1,332 million in 2012–13;
- $1,341 million in 2013–14; and
- $1,605 million in 2014–15.

We attribute most of the increase to the expenditures for two major initiatives: the Asia-Pacific Gateway and Corridor Initiative and the Gateways and Border Crossings Fund. Increased spending, from previous years, on these initiatives was partly offset by reduced spending related to implementing Budget 2012 cost reduction measures.

Transport Canada's planned spending:

- increases to $1,615 million in 2015–16;
- decreases to $1,026 million in 2016–17; and
- increases again in 2017–18 to $1,138 million.

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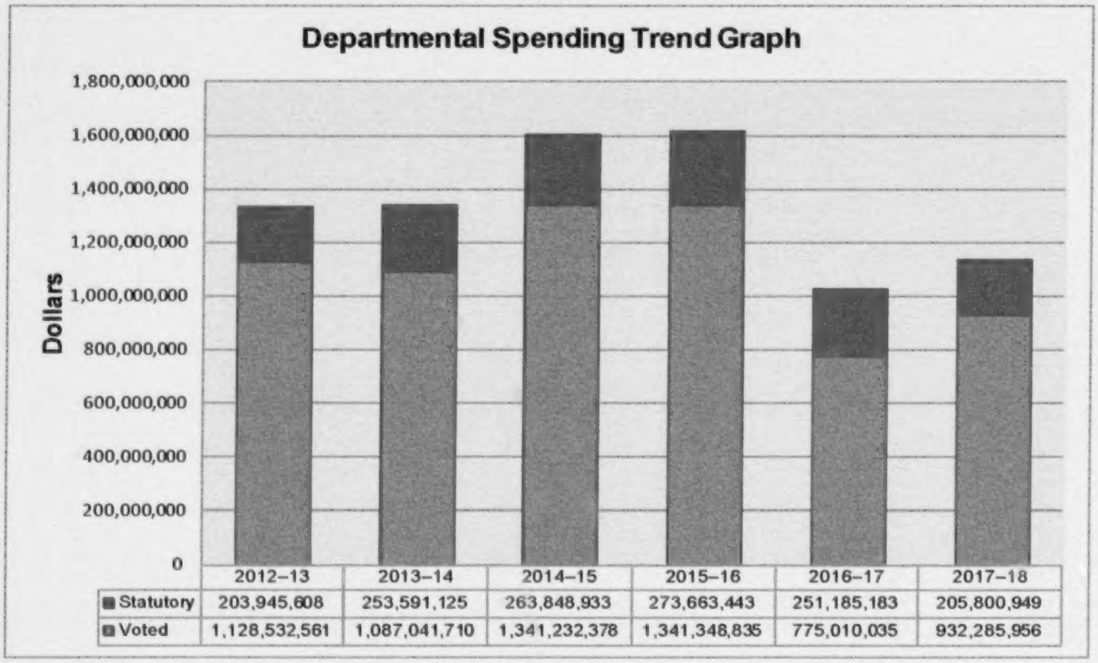
[11] Excludes Internal Services

As the Asia-Pacific Gateway and Corridor Initiative, the Gateways and Border Crossings Fund, the Next Generation of Clean Transportation, and the Federal Contaminated Sites Action Plan, approach their maturity dates, spending begins to decline. However, there is a slight increase in spending in 2017–18 as a result of planned expenditures for Gateways and Border Crossings Fund.

Figure 3: Spending Trend for Transport Canada



	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18
■ Statutory	203,945,608	253,591,125	263,848,933	273,663,443	251,185,183	205,800,949
■ Voted	1,128,532,561	1,087,041,710	1,341,232,378	1,341,348,835	775,010,035	932,285,956

Expenditures by Vote

For information on Transport Canada's organizational voted and statutory expenditures, consult the *Public Accounts of Canada 2015*, which is available on the Public Works and Government Services Canada website[xiii].

Section II: Analysis of Programs by Strategic Outcomes

Transport Canada[xiv] has three Strategic Outcomes that reflect long term and enduring benefits to Canadians that stem from its raison d'être and vision. As we strive towards these outcomes, Transport Canada can report progress in relation to expected results[12], performance indicators[13] and targets[14] in line with the Program Alignment Architecture (PAA). What distinguishes the different levels of a PAA is the scope and reach of the Programs at those levels. The Program level has a broad scope and area of societal intervention, while the sub-Program (SP) level has a more specific focus on a smaller target group and area of intervention.

This section:

- describes how Transport Canada met the expected results indicated in the 2014–15 Report on Plans and Priorities;
- presents the financial and non-financial resources dedicated to each Program and sub-Program; and
- identifies Transport Canada initiatives that are included in the Federal Sustainable Development Strategy.

Strategic Outcome 1: An Efficient Transportation System

An efficient transportation system supports trade, economic prosperity and an enhanced quality of life through low costs, high productivity, the best use of all modes and innovation in transportation. Transport Canada promotes an efficient transportation system in Canada by modernizing marketplace frameworks so that the transportation sector can adapt, innovate and remain competitive; developing and implementing gateways and corridors initiatives; ensuring the renewal of federal transportation infrastructure; encouraging innovation in the transportation sector; and partnering with provinces, territories, municipal governments, and public and private sector entities in various transportation initiatives.

The following Programs and sub-Programs support this Strategic Outcome:

Program 1.1: Transportation Marketplace Frameworks

Description: The Transportation Marketplace Framework Program encourages transportation efficiency by fostering a competitive and viable transportation sector. The Program sets regimes governing the economic behaviour of carriers in all modes of transportation; sets the rules of governance for all the transportation infrastructure providers falling under federal authority; monitors, analyzes, researches, and reports on the transportation system; promotes innovation in transportation; enables access to transportation for Canadians; represents the interests of Canada in trade negotiations, international transportation fora and other international bodies; promotes access to markets in the context of international trade; and fulfills certain federal responsibilities with regard to the *International Bridges and Tunnels Act*[xv].

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[12] An expected result is an outcome towards which Transport Canada is contributing through various activities in its Program Alignment Architecture.

[13] A performance indicator is a statistic or parameter that, tracked over time, provides information on trends in the status of a program.

[14] A target is a specific performance goal tied to a performance indicator against which actual performance will be compared.

Sub-Program 1.1.1: Air Marketplace Framework

Description: The Air Marketplace Framework program encourages transportation efficiency by fostering a competitive and viable air industry, including airlines, airports and NAV CANADA. It provides opportunities for Canadian airlines to grow and compete successfully in a more liberalized global environment and sets the governance regimes of national air infrastructure providers. Program activities include establishing laws and regulations (e.g. *Canada Transportation Act*, *Air Canada Public Participation Act*) governing the economic behaviour of air carriers and air infrastructure providers; encouraging competition and the development of new and expanded international air services to benefit travellers, shippers, and the tourism and business sectors by managing bilateral and multilateral air service relations; working collaboratively with other government departments and industry stakeholders to promote air transport facilitation policies and initiatives in support of broader Government of Canada industry, trade, travel and tourism objectives, such as Gateways and Corridors Initiatives and the Blue Sky international air policy; and representing the interests of the Canadian aviation sector at the International Civil Aviation Organization.

Sub-Program 1.1.2: Marine Marketplace Framework

Description: The Marine Marketplace Framework program encourages transportation efficiency by ensuring the appropriate economic policy and legislative frameworks in order to foster a competitive and viable Canadian marine industry. The program is responsible for developing policies, legislation, and regulations such as the *Canada Marine Act* and its regulations and the *Marine Liability Act*; monitoring the Canadian marine industry and ports system; establishing the rules of governance for Canada port authorities; negotiating/adopting international conventions and agreements; establishing the economic regimes governing market entry to both the Canadian marine marketplace and Canadian international marine trade; representing the interest of Canada's marine sector in international fora, such as the International Maritime Organization; and setting the marine transportation liability regime.

Sub-Program 1.1.3: Surface Marketplace Framework

Description: The Surface Marketplace Framework program encourages transportation efficiency by fostering healthy and competitive rail and motor carrier industries in Canada and by fulfilling certain federal responsibilities with regard to the *International Bridges and Tunnels Act* (IBTA) and other international bridge legislation. The program develops, oversees and implements policy frameworks, legislation, regulations and international agreements such as the *Canada Transportation Act* (Part 3-Railway Transportation); establishes economic regimes governing access to the rail industry; oversees freight rail services and the relationships between railways and shippers and passenger rail operations; administers the grain hopper car operating agreements with Canadian National and Canadian Pacific railways and the Grain Monitoring program; reviews mergers and acquisitions involving surface modes; reviews conditions of entry into the commercial trucking and bus marketplace; works with provinces, territories and North American partners to harmonize rules affecting surface transportation, such as North American Free Trade Agreement trucking standards; provides analysis and advice regarding the movement of freight in the surface mode and related issues (e.g., congestion, road pricing, urban rail, urban encroachment); conducts ongoing national freight transportation system analysis in consultation with key stakeholders; and addresses relevant international bridge and tunnel issues, such as implementing regulations under IBTA.

Sub-Program 1.1.4: International Frameworks and Trade

Description: The International Frameworks and Trade program ensures that policy objectives and stakeholder interests regarding transportation system efficiency are advanced at the international level and considered in the formulation of Government of Canada foreign policy and trade negotiation initiatives. It contributes to a coherent, government-wide approach to managing international priorities (such as the Global Commerce Strategy and the Americas Strategy), as well as the broader trade, jobs and economic growth agenda, in order to bring maximum benefit to Canadians.

Canada's transportation system is integral to achieving the Government's objectives with respect to international trade. This function is necessary in order to respond to the Government's rapidly expanding trade negotiation agenda, and to seize opportunities for Canadian businesses and transportation stakeholders in developing regions of the world, such as Asia and the Americas. Activities are geared to establish relationships and partnerships, domestically and internationally, that will benefit Canada's medium- and long-term economic development goals and advance the interests of transportation industry stakeholders. As a result of these activities, transportation stakeholders will be provided with further trade/commercial opportunities.

Note: Bilateral air agreements and Canada's Mission to the International Civil Aviation Organization are addressed under Air Marketplace Framework.

Sub-Program 1.1.5: Transportation Analysis and Innovation

Description: The Transportation Analysis and Innovation program conducts research and analysis to advance the understanding of key drivers for change in transportation and inform policy decisions, with a view to increasing efficiency and promoting innovation and technological advances in the transportation sector. To that end, the program manages transportation data collection efforts; monitors and reports on trends in the transportation system; conducts socio-economic, exploratory and applied research to identify and foster the adoption of promising technologies.

Performance Analysis

Transport Canada continued to analyse and develop air sector and marine sector policies relating to system efficiency, competitiveness, foreign investment, and challenges specific to the North. We also created the Air Industry Standing Ministerial Advisory Committee, a bi-annual table the Minister leads to discuss key issues facing the air sector with air industry chief executives.

After completing a review of marine policies, we identified and addressed several issues including amendments to the *Marine Liability Act* and the *Canada Marine Act*.

With respect to the North, Transport Canada continues to work with the Canadian Coast Guard and the Canadian Hydrographic Service on developing the Northern Marine Transportation Corridors Initiative. This Initiative aims to reduce the likelihood of marine incidents by providing a predictable level of service to mariners transiting the Arctic, which will support the commercial marine industry and the economic development of northern communities.

The Minister launched the Commodity Supply Chain Table in June 2014 to provide a forum for stakeholders to address issues particular to rail-based commodity supply chains and to give advice on developing performance metrics. Meetings took place in Ottawa and Vancouver in 2014.

Following through on the 2013 Speech from the Throne commitment, we developed a strengthened liability and compensation regime for rail transportation. Bill C-52 was introduced in Parliament on February 20, 2015.

Transport Canada advanced Canadian interests and promoted Canadian expertise in transportation in multilateral and international transport fora, and represented Canadian transportation-related positions in trade negotiations. In particular, we:

- advanced Canadian interests through Minister-level bilateral engagement with senior representatives from priority countries, including the United States, India, China, Japan, South Korea, European Union (in particular, Germany, Finland), Turkey, Switzerland, Ukraine, and Israel. Canadian expertise in areas including gateways and trade corridors and border cooperation were highlighted at Asia-Pacific Economic Cooperation meetings and the International Transport Forum;
- participated in key free trade negotiations – e.g., Canada-European Union Comprehensive Economic and Trade Agreement, Canada-Korea Free Trade Agreement; and
- addressed bilateral transportation issues with priority countries, including legislative and regulatory barriers that affect trade in transportation services.

We also:

- contributed the transportation expertise that led to the signing of a new comprehensive preclearance agreement with the U.S. The new agreement, once it comes into force, will replace the existing Air Preclearance Agreement and will allow for:
    - preclearance at air, land, marine and rail facilities in Canada and the U.S.; and
    - the exploration of innovative solutions to improve the movement of exports across the Canada-U.S. border.
- promoted and fostered innovation, research, and technology in the transportation sector and built strong partnerships with transportation stakeholders, governments, and academia to carry-out research and development. For example, Transport Canada continued to:
    - conduct policy work on Intelligent Transportation Systems (ITS)/ transportation technologies through the Canada-India Working Group on ITS;
    - collaborate with stakeholders on various ITS studies and actively participating in various domestic and international events related to transportation and technologies; and
    - advance joint research projects and share best practices under the Canada-China Innovation Cooperation.

Transport Canada continued to implement the Clean Transportation Initiatives-Port Trucking Program with the following achievements. We:

- signed a multi-year contribution agreement with Port Metro Vancouver (PMV), which completed the Container Drayage Truck Efficiency Full Implementation Program;
- monitored progress of a multi-year initiative to reduce emissions at the Port of Montreal; and
- continued engagement and information sharing with container ports, terminal operators, trucking fleet operators, and other supply chain participants on truck reservation system initiatives.

Transport Canada also:

- improved marine, surface, and aviation data collection;
- expanded transportation sector monitoring;
- provided trend analysis and performance reporting; and
- performed risk analysis; and developed outlooks of the various sectors including the development of the 2014 annual report on the state of transportation in Canada.

Specifically, we have:

- collected new and ongoing data (by mode) to support departmental priorities (e.g., grains transportation by rail, Commodity Supply Chain Table, supply chain analysis, infrastructure, monitoring, economic analysis, etc);

- received a greater demand for transportation outlook (2015–25) data, which we are developing at the national level, by corridor, for five key commodities, and for containers;
- conducted new performance and capacity analysis to support the national commodity table and Building Canada Plan; and
- developed a proof of concept for a quarterly transportation monitoring product.

Budgetary Financial Resources (dollars) – For Program

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (authorities used)	Difference (planned minus actual)
1.1 Transportation Marketplace Frameworks				
24,854,622	24,854,622	27,650,224	28,290,806	(3,436,184)

Budgetary Financial Resources (dollars) – For Sub-Programs

Planned Spending	Actual Spending	Difference (planned minus actual)
1.1.1 Air Marketplace Framework		
3,623,320	4,061,861	(438,541)
1.1.2 Marine Marketplace Framework		
2,690,751	3,530,103	(839,352)
1.1.3 Surface Marketplace Framework		
2,898,764	2,711,537	187,227
1.1.4 International Frameworks and Trade		
3,001,248	2,944,728	56,520
1.1.5 Transportation Analysis and Innovation		
12,640,539	15,042,577	(2,402,038)

Human Resources (Full –time Equivalents (FTEs[15])) – For Program and Sub-Programs

Planned	Actual	Difference (planned minus actual)
1.1 Transportation Marketplace Frameworks		
168	157	11
1.1.1 Air Marketplace Framework		
32	30	2
1.1.2 Marine Marketplace Framework		
19	26	(7)
1.1.3 Surface Marketplace Framework		
18	20	(2)

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[15] Due to rounding, column totals shown in all tables may not be exact.

Planned	Actual	Difference (planned minus actual)
1.1.4 International Frameworks and Trade		
26	21	5
1.1.5 Transportation Analysis and Innovation		
73	60	13

Please refer to Section I: Organizational Expenditure Overview regarding budgetary financial and human resources variance explanations.

Performance Results – For Program and Sub-Programs

Expected Results	Performance Indicators	Targets	Actual Results
1.1 Transportation Marketplace Frameworks			
A competitive transportation sector	Rail freight transportation intensity (tonne-km per locomotive) (Transportation intensity represents system usage)	107,446,845	122,181,729
A competitive transportation sector	Truck freight transportation intensity (tonne-km per heavy vehicle) (Transportation intensity represents system usage)	1,522,470	1,698,561
A competitive transportation sector	Marine freight transportation intensity (tonne-km per port call) (Transportation intensity represents system usage)	2,895	2,875
A competitive transportation sector	Air passenger transportation intensity (passenger-km per seat-km) (Transportation intensity represents system usage)	0.79	0.82
A competitive transportation sector	Rail passenger transportation intensity (passengers per available seat) (Transportation intensity represents system usage)	0.57	0.61
1.1.1 Air Marketplace Framework			
A competitive air transportation sector	Revenue Passenger Kilometres by air	233.9 billion	243.4 billion
1.1.2 Marine Marketplace Framework			
A competitive marine transportation sector	Tonnage handled by Canadian carriers (domestic)	64.4 million tonnes	62.3 million tonnes
A competitive marine transportation sector	Tonnage handled by Canadian carriers (transborder)	38 million tonnes	39.3 million tonnes
A competitive marine transportation sector	Total international traffic handled by Canadian ports as a percentage of total international traffic handled at North American ports (in metric tonnes)	18.0%	19.3%
1.1.3 Surface Marketplace Framework			
An efficient surface transportation sector	Rail traffic volume (in tonne-km)	Rail: 334.4 billion	371.8 billion

Expected Results	Performance Indicators	Targets	Actual Results
An efficient surface transportation sector	Motor carrier traffic volume (in tonne-km)	Motor carriers: 138 billion	143.9 billion
1.1.4 International Frameworks and Trade			
International trade agreements create opportunities for the transportation industry	Types of commercial opportunities provided through agreements for Canadian transportation stakeholders	Improved commercial opportunities for transportation stakeholders	• Participated in nine trade and investment negotiations to advance the interests and priorities of Canadian transportation stakeholders including the Canada-European Union Comprehensive Economic and Trade Agreement (CETA) • Finalized under the CETA: o a chapter on International Maritime Transport Services, which secures an open international maritime services sector between both Parties o an annex on automotive standards, which increases cooperation on vehicle safety
1.1.5 Transportation Analysis and Innovation			
Research and analysis to inform Canadians on the state of transportation in	The total number of electronic views and requests for statistics/analyses to annual report, "Transportation in Canada"	15,000	11,000 hits/requests

Expected Results	Performance Indicators	Targets	Actual Results
Canada and advance innovation and technological advances in the transportation sector			
Research and analysis to inform Canadians on the state of transportation in Canada and advance innovation and technological advances in the transportation sector	Ratio of research, development and technology investment leveraged from external sources	1:1 investment ratio	1:1.6[16]

Program 1.2: Gateways and Corridors

Description: Canada is a trading nation, and the efficiency and reliability of the transportation system to support this trade impacts directly on the nation's prosperity and well-being. For this reason, it is imperative that the federal government play a role in the development of an integrated transportation network linking importers and exporters to markets and suppliers in the increasingly complex global supply chains. Guided by the National Policy Framework for Strategic Gateways and Corridors, the Gateways and Corridors Program supports Canada's international commerce by creating a more efficient, reliable and seamless trade-related transport system in Canada. The Program develops initiatives to improve and integrate transportation networks in key regions; fosters partnerships between all levels of government and the private sector; supports and oversees projects that contribute to the increased capacity and efficiency of gateway and corridor infrastructure; develops and puts in place measures that remove impediments to the effective development of gateways and corridors; and markets the use of gateways and corridors within Canada and internationally.

Sub-Program 1.2.1: Asia-Pacific Gateway and Corridor Initiative

Description: The rapid economic growth of China and other Asia-Pacific countries is reshaping global trade flows. China is now Canada's second largest trading partner and the growth in Canada-Asia trade traffic is expected to continue. The Asia-Pacific Gateway and Corridor Initiative program works to make Canada the best trade link between Asia and North America. This program coordinates and manages an integrated set of investment (through direct delivery and contributions) and policy measures to boost Canada's commerce with the Asia-Pacific region; increase the share of North America-bound container imports from Asia; and improve the reliability of the Gateway and Corridor.

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[16] The goal is to achieve a minimum of a 1:1 ratio, however, at times the ratio exceeds 1:1 due to a stronger than anticipated interest in the research by stakeholders.

Sub-Program 1.2.2: Gateways and Border Crossings Fund

Description: The Gateways and Border Crossings Fund program works to improve the flow of goods between Canada and the rest of the world by looking at policy measures and by enhancing infrastructure at key locations, such as major border crossings between Canada and the United States, including the new Windsor-Detroit crossing and key infrastructure such as the New Bridge for the St. Lawrence River in Montreal. It focuses on two key initiatives, namely the Ontario-Quebec Continental Gateway and Trade Corridor and the Atlantic Gateway and Trade Corridor.

Performance Analysis

The federal government continued to invest in Canada's Gateways[xvi]. Canada's world-class gateways and transportation corridors are essential to building a strong and competitive economy, enhancing our global competitiveness and supporting economic prosperity throughout the country. In 2014–15, Transport Canada advanced and promoted Canada's three strategic gateways and corridors initiatives: the Asia-Pacific Gateway and Corridor Initiative (APGCI)[xvii], the Continental Gateway and Trade Corridor[xviii] and the Atlantic Gateway and Trade Corridor[xix], through domestic and international outreach, stakeholder engagement, and promotional and marketing materials. Progress included:

- advancing Gateway initiatives in partnership with other federal departments and agencies, provinces and territories, municipalities, and private-sector stakeholders;
- concluding and signing a new Canada-U.S. preclearance agreement;
- transferring oversight responsibility for the new bridge over the St. Lawrence to Infrastructure Canada as a result of an Order in Council signed in February 2014; and
- advancing the Gordie Howe International Bridge project. The transfer of the project to the Windsor-Detroit Bridge Authority and property acquisition are ongoing, having purchased one commercial property in Canada and advancing negotiations for others.

Transport Canada implemented Beyond the Border economic initiatives to improve border infrastructure planning and coordination with the U.S. and the flow of legitimate trade and travel across the Canada-U.S. border as set out in the Canada-U.S. Beyond the Border Action Plan[xx]. We also continued to work towards installing border wait-time measurement solutions at the top 20 high-priority land-border crossings. To date, border wait-time technology has been installed bi-directionally at seven of these crossings:

- four between British Columbia and Washington;
- two between Ontario and New York; and
- one between Ontario and Michigan.

Budgetary Financial Resources (dollars) – For Program

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (authorities used)	Difference (planned minus actual)
1.2 Gateways and Corridors				
702,272,494	702,272,494	711,748,677	448,362,484	253,910,010

Budgetary Financial Resources (dollars) – For Sub-Programs

Planned Spending	Actual Spending	Difference (planned minus actual)
1.2.1 Asia-Pacific Gateway and Corridor Initiative		
137,968,906	97,141,276	40,827,630
1.2.2 Gateways and Border Crossings Fund		
564,303,588	351,221,208	213,082,380

Human Resources (FTEs) – For Program and Sub-Programs

Planned	Actual	Difference (planned minus actual)
1.2 Gateways and Corridors		
32	47	(15)
1.2.1 Asia-Pacific Gateway and Corridor Initiative		
17	14	3
1.2.2 Gateways and Border Crossings Fund		
15	33	(18)

Please refer to Section I: Organizational Expenditure Overview regarding budgetary financial and human resources variance explanations.

Performance Results – For Program and Sub-Programs

Expected Results	Performance Indicators	Targets	Actual Results
1.2 Gateways and Corridors			
Gateways and corridors are efficient	Total average landside transit time (number of days) of international containerized freight using Canada's strategic gateways and trade corridors	7.0 days of average landside transit with a standard deviation of 0.4 days	Average of 9.0 days with standard deviation of 1.1 days[17]

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[17] West Coast operational issues dominated the performance of the aggregate system. A poor winter climate caused significant degradation in performance in the first quarter of 2014. Operational bottlenecks caused by labour disruptions at other ports resulted in poor performance in the Fall.

Expected Results	Performance Indicators	Targets	Actual Results
1.2.1 Asia-Pacific Gateway and Corridor Initiative			
Canada's Asia-Pacific Gateway and Corridor is efficient, and attracts international trade	Landside fluidity for British Columbia ports: Total average transit time (number of days) of international containerized freight using the Asia-Pacific Gateway and Corridor from the British Columbia ports to Toronto	Average of 8.5 days with standard deviation of 0.5 days	Average of 10.9 days, with standard deviation of 1.6 days
Canada's Asia-Pacific Gateway and Corridor is efficient, and attracts international trade	Canadian share of the North American West Coast trade based on the change in volume of Twenty Foot Equivalent Unit (TEU) imports and exports. TEU: a unit of measurement equal to the space occupied by a standard twenty-foot container. Used in stating the capacity of container vessel or storage area. One 40-foot container is equal to two TEUs. Source: American Association of Port Authorities	12%	12.8%
Canada's Asia-Pacific Gateway and Corridor is efficient, and attracts international trade	Value of imports using strategic gateways and trade corridors (Millions of $CAD)	Import: $42,100	$46,682
Canada's Asia-Pacific Gateway and Corridor is efficient, and attracts international trade	Value of exports using strategic gateways and trade corridors (Millions of $CAD)	Export: $69,200	$73,865
1.2.2 Gateways and Border Crossings Fund			
Canada's strategic Gateways and Corridors are efficient, and are used for international trade	Total average landside transit time (number of days) of international containerized freight using the Continental and Atlantic Gateways and Trade Corridors	Average of 4 days with standard deviation of 0.3 days	Average of 4.5 days, with standard deviation of 0.4 days
Canada's strategic Gateways and Corridors are efficient, and are used for international trade	Value of imports using the Continental Gateway and Trade Corridors in Ontario (Millions of $CAD)	$265,000	$292,587
Canada's strategic Gateways and Corridors are efficient, and are used for international trade	Value of exports using the Continental Gateway and Trade Corridor in Ontario (Millions of $CAD)	$206,200	$235,104
Canada's strategic Gateways and Corridors are efficient, and are used for international trade	Value of imports using the Continental Gateway and Trade Corridor in Quebec (Millions of $CAD)	$75,800	$78,968

Expected Results	Performance Indicators	Targets	Actual Results
Canada's strategic Gateways and Corridors are efficient, and are used for international trade	Value of exports using the Continental Gateway and Trade Corridor in Quebec (Millions of $CAD)	$65,600	$69,794
Canada's strategic Gateways and Corridors are efficient, and are used for international trade	Value of imports using the Atlantic Gateway and Trade Corridor (Millions of $CAD)	$25,700	$25,651
Canada's strategic Gateways and Corridors are efficient, and are used for international trade	Value of exports using the Atlantic Gateway and Trade Corridor (Millions of $CAD)	$30,800	$30,550
Canada's strategic Gateways and Corridors are efficient, and are used for international trade	Atlantic Gateway (Halifax) and Continental Gateway (Montreal) market share of North American East Coast traffic in Volume of Twenty-Foot Equivalent Unit (TEU) imports and exports. TEU: A unit of measurement equal to the space occupied by a standard twenty-foot container. Used in stating the capacity 20-foot container vessel or storage area. One 40-foot container is equal to two TEUs. Source: American Association of Port Authorities	9.5%	9.7%

Program 1.3: Transportation Infrastructure

Description: The Transportation Infrastructure Program oversees funds and manages multimodal transportation infrastructure under Transport Canada's mandate to improve efficiency and service delivery for the benefit of Canadian taxpayers. The Program acts as the steward of certain commercial transportation assets operated by third parties on behalf of the federal government (airport authorities, port authorities, federal bridges, VIA Rail, Seaway, and Marine Atlantic); provides funding for Canada's strategic transportation infrastructure to support federal objectives; and develops transportation infrastructure policy through consultation with stakeholders. It also manages Transport Canada ports and airports, supports essential services in remote communities, manages legacy commitments, and divests assets where possible.

Sub-Program 1.3.1: Airport Infrastructure

Description: In keeping with the National Airports Policy, the Airport Infrastructure program looks after airport services under federal purview for the benefit of Canadian travelers and businesses. The program provides stewardship of airport authorities with the goal of protecting the government's interests as the landlord and ensuring compliance with lease terms; operates federally- owned regional/local and remote airports, and where applicable, considers divestiture of these airports to third parties in certain communities; provides financial support to non-federal eligible airports to maintain the ongoing operation and safety of airside infrastructure; and manages other airports' infrastructure legacy commitments by providing financial support to 12 Labrador communities, through the provincial government, to maintain airstrips built under federal/provincial agreements.

Sub sub-Program 1.3.1.1: Airport Authority Stewardship

Description: The National Airports System is a vital transportation system with significant ties to the Canadian economy. To protect the interests of the federal government as landlord and to ensure compliance with the terms of their leases, the Airport Authority Stewardship program provides oversight and real property management services for airports whose operations have been transferred to local airport authorities. It also manages residual responsibilities with respect to the commercialized Air Navigation system (ANS). Program activities include: making sure that airport authorities respect the terms of their leases; addressing lease management issues promptly; completing the environmental remediation of ANS lands; managing ongoing liaison with NAV CANADA on property matters; and collecting airport rent revenue.

Sub sub-Program 1.3.1.2: Airport Operations

Description: In keeping with the National Airports Policy (NAP) and for the benefit of the communities concerned, the Airport Operations program operates certain remote and regional/local Transport Canada-owned airports. It also divests these airports to third parties, where applicable. Guided by the NAP, Transport Canada will continue to operate remote airports as a core federal role as they provide exclusive, reliable year-round access to isolated communities.

Sub sub-Program 1.3.1.3: Small Aerodrome Support

Description: The Small Aerodrome Support program provides support for airside capital projects through the Airports Capital Assistance Program (ACAP) and also manages legacy commitments that make airport infrastructure and services available to some communities. In keeping with the National Airports Policy, ACAP provides support to eligible non-federally owned airports. Funding is provided for airside safety-related capital projects, which may also extend to non-airside asset protection. It targets airports with a demonstrated financial need to fund the capital expenditures necessary to maintain safety. Legacy commitments are supported by providing financial assistance to: the provincial government through the Labrador Coast Airstrip Restoration Program (LCARP) to maintain airstrips in twelve Labrador communities; and four airports in Québec to cover a portion of operating deficits through the Airports Operations and Maintenance Subsidy Program (O&MSP).

Sub-Program 1.3.2: Marine Infrastructure

Description: The Marine Infrastructure program operates from a commercially based policy framework and supports Canadian trade by making marine assets available for commercial use. The program is delivered by methods such as providing stewardship of assets operated by third parties, providing direct public sector delivery, and managing contribution agreements. The program acts as steward of Canada Port Authorities and the land they manage; operates and divests Transport Canada's public ports; acts as steward of, and provides support to, remote, regional and constitutionally mandated ferry services; and acts as steward of, and provides support to, the Canadian portion of the Seaway.

Sub sub-Program 1.3.2.1: Canada Port Authority Stewardship

Description: The Canada Port Authority Stewardship program oversees the commercial operation of the 18 Canada Port Authorities (CPAs) that manage properties that are federally-owned or subject to federal law. Its goal is to foster a commercially based regime that supports Canadian trade within policy and legislative frameworks. The program administers the CPAs' compliance monitoring program, reviews and approves requests for property acquisitions/ dispositions to make sure that they comply with relevant acts and policies, addresses environmental and Aboriginal concerns, oversees the appointment process that must comply with the Canada Marine Act, and reviews and approves requests for amending CPA activities, borrowing limits, terms of leases, or for establishing subsidiaries, and compliance with gross revenue charge requirements.

Sub sub-Program 1.3.2.2: Seaway Stewardship and Support

Description: Pursuant to the Canada Marine Act, Transport Canada is responsible for protecting the long term operation and viability of the Seaway as an integral part of Canada's national transportation infrastructure. The Seaway Stewardship and Support program oversees the good management, operation and maintenance of the Canadian portion of the St. Lawrence Seaway by the St. Lawrence Seaway Management Corporation (the Seaway Corporation), for the benefit of seaway users and the businesses and communities that depend on it. The program administers, negotiates and monitors the federal government's 20-year agreement with the Seaway Corporation; provides statutory payments, negotiates and monitors the five-year Business Plans that sets specific operating and asset renewal cost targets; and oversees the management of non-navigational assets including the transfer of ownership of surplus Seaway properties.

Sub sub-Program 1.3.2.3: Ferry Services Stewardship and Support

Description: The Ferry Services Stewardship and Support program serves Canadians, communities and businesses that depend on ferry services. The program oversees federal government funding for, and involvement in, ferry services across the country. This includes: Crown Corporation Marine Atlantic service that links Newfoundland to the rest of Canada as per constitutional mandate; three private sector inter-provincial services in Atlantic Canada – including one to the remote community of Îles-de-la-Madeleine under the Ferry Services

Contribution Transfer Payment Program; and an annual grant to support services in British Columbia.

Sub sub-Program 1.3.2.4: Port Operations

Description: The Port Operations program makes marine facilities at TC-owned ports available to port users and the communities they serve. It manages and maintains TC-owned ports including setting and collecting national public port tariffs at those ports.

Sub-Program 1.3.3: Surface and Multimodal Infrastructure

Description: The Surface Infrastructure program supports Canada's trade and mobility by fostering efficient and economic access to surface transportation networks while furthering transportation safety. The program develops, designs, negotiates, and manages federal funding for highways, borders, railways, transit, and federal bridges; works with provinces, territories and other partners to develop infrastructure programs and policies, with a particular focus on the National Highway System; acts as steward for VIA Rail and federal bridges; and manages regional rail service legacy commitments.

Sub sub-Program 1.3.3.1: Rail Passenger Stewardship and Support

Description: The Rail Passenger Stewardship and Support program makes national, regional and remote rail passenger services available throughout Canada. The program also: acts as steward over and administers the annual subsidy to VIA Rail Canada; administers contributions to private sector companies or First Nations bands operating regional and remote passenger rail services; and provides funding for capital projects that support rail services.

Sub sub-Program 1.3.3.2: Federal Bridge Stewardship

Description: Guided by the *International Bridges and Tunnels Act* and other legislation, the Federal Bridge Stewardship program addresses capacity issues of bridges and tunnels under Transport Canada's authority to safely meet current and future transportation needs and acts as the steward of Transport Canada-owned bridges. Specific program responsibilities include implementing and managing federal contributions and initiatives that address the needs of bridges under federal authority; overseeing international bridge and tunnel operators' compliance with relevant regulations; establishing and implementing the laws and regulations governing international bridge operators; providing stewardship oversight of the Confederation Bridge as per a constitutional obligation; and making statutory payments to CN Railway Company for the roadway portion of the Victoria Bridge in Montreal.

Sub sub-Program 1.3.3.3: Highway and Other Transportation Infrastructure Support

Description: The Highway and Other Transportation Infrastructure Support program benefits road users, stakeholders and communities through improved highways, bridges, transit systems and technology systems for transportation and borders, which reduces traffic congestion, accidents and stakeholder/user operating costs. This multimodal program provides program design guidance, manages federal contributions for improvements to the National Highway System (NHS), Canada-United States border infrastructure, transit system initiatives and other transportation infrastructure; develops, oversees and implements federal policy and coordinates infrastructure issues; assesses Building Canada Plan transportation projects; and helps monitor the performance of transportation infrastructure in partnership with stakeholders.

Performance Analysis

Transport Canada delivered contribution funding for transportation infrastructure programming across Canada, including the delivery of transportation projects under Infrastructure Canada funds. We:

- continued working with provincial, territorial, municipal, private sector and other partners to successfully deliver transportation infrastructure projects and programs;
- provided funding for multiple projects under the Outaouais Road Agreement, the Building Canada Fund, the Border Infrastructure Fund and the Canada Strategic Infrastructure Fund. Most of these funds have been allocated to projects as many of these programs are nearing completion;
- developed a long-term, cost-efficient asset strategy for Transport Canada-owned and operated ports. We continue to recognize that the best long-term solution for these assets is their transfer to local communities in order to better respond to local needs; and
- completed the procurement and importation of a marine vessel to replace the 42-year-old MV Princess of Acadia. The MV Princess of Acadia is the Transport Canada-owned ferry vessel used by a private sector operator under the Ferry Services Contribution program to service the Saint John, New Brunswick to Digby, Nova Scotia route. Modifications to the new vessel will offer modern onboard amenities to ensure compliance with Canadian safety regulations, and compatibility with existing shore-based infrastructure. Modifications were completed in summer 2015.

VIA Rail[xxi] completed a nearly $1 billion major capital program that has improved equipment, infrastructure, customer service and information technologies.

Budgetary Financial Resources (dollars) – For Program

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (authorities used)	Difference (planned minus actual)
1.3 Transportation Infrastructure				
333,815,823	333,815,823	497,706,340	455,366,393	(121,550,570)

Budgetary Financial Resources (dollars) – For Sub-Programs

Planned Spending	Actual Spending	Difference (planned minus actual)
1.3.1 Airport Infrastructure		
75,164,946	79,348,379	(4,183,433)
1.3.1.1 Airport Authority Stewardship		
(5,609,430)	(5,811,637)	202,207
1.3.1.2 Airport Operations		
32,630,476	46,862,098	(14,231,622)
1.3.1.3 Small Aerodrome Support		
48,143,900	38,297,918	9,845,982
1.3.2 Marine Infrastructure		
164,826,665	280,512,958	(115,686,293)
1.3.2.1 Canada Port Authority Stewardship		
7,757,791	6,495,017	1,262,774
1.3.2.2 Seaway Stewardship and Support		
105,648,314	130,317,598	(24,669,284)
1.3.2.3 Ferry Services Stewardship and Support		
45,792,185	128,542,368	(82,750,183)
1.3.2.4 Port Operations		
5,628,375	15,157,975	(9,529,600)
1.3.3 Surface and Multimodal Infrastructure		
93,824,212	95,505,056	(1,680,844)
1.3.3.1 Rail Passenger Stewardship and Support		
12,296,299	14,045,127	(1,748,828)
1.3.3.2 Federal Bridge Stewardship		
67,126,413	66,304,819	821,594
1.3.3.3 Highway and Other Transportation Infrastructure Support		
14,401,500	15,155,110	(753,610)

Human Resources (FTEs) – For Program and Sub-Programs

Planned	Actual	Difference (planned minus actual)
1.3 Transportation Infrastructure		
236	240	(4)
1.3.1 Airport Infrastructure		
144	142	2
1.3.1.1 Airport Authority Stewardship		
10	11	(1)
1.3.1.2 Airport Operations		
111	110	1
1.3.1.3 Small Aerodrome Support		
23	21	2

Planned	Actual	Difference (planned minus actual)
1.3.2 Marine Infrastructure		
46	68	(22)
1.3.2.1 Canada Port Authority Stewardship		
7	3	4
1.3.2.2 Seaway Stewardship and Support		
8	8	0
1.3.2.3 Ferry Services Stewardship and Support		
1	10	(9)
1.3.2.4 Port Operations		
30	47	(17)
1.3.3 Surface and Multimodal Infrastructure		
45	30	15
1.3.3.1 Rail Passenger Stewardship and Support		
3	2	1
1.3.3.2 Federal Bridge Stewardship		
3	3	0
1.3.3.3 Highway and Other Transportation Infrastructure Support		
39	25	14

Please refer to Section I: Organizational Expenditure Overview regarding budgetary financial and human resources variance explanations.

Performance Results – For Program and Sub and Sub-sub Programs

Expected Results	Performance Indicators	Targets	Actual Results
1.3 Transportation Infrastructure			
Federally funded infrastructure is operational	Percentage of federally funded transportation infrastructure that meets annually established operational targets	100%	95%

The Program narrowly missed the target for this performance indicator. Details are provided under the following tables. Ninety-five percent of federally funded transportation infrastructure meets annually established operational targets.

Expected Results	Performance Indicators	Targets	Actual Results
1.3.1 Airport Infrastructure			
Airport infrastructure is available to users	Percentage of federally supported airport infrastructure that is operational	100%	100%
1.3.1.1 Airport Authority Stewardship			
National Airports System Airports comply with leases	Percentage of National Airports System airports that are in substantive compliance with their lease terms	100%	100%

Expected Results	Performance Indicators	Targets	Actual Results
1.3.1.2 Airport Operations			
Airports are operational and available to users	Percentage of airports that are operational	100%	100%
1.3.1.3 Small Aerodrome Support			
Airports are operational and available to users	Percentage of funded airports certified operational	100%	100%

The program achieved all its targets for these performance indicators.

Expected Results	Performance Indicators	Targets	Actual Results
1.3.2 Marine Infrastructure			
Marine infrastructure is operational for users	Percentage of marine infrastructure operational	100%	100%
1.3.2.1 Canada Port Authority Stewardship			
Compliance with Acts, regulations and letters patent	Percentage of transactions in compliance with federal Acts, regulations and policies	100%	100%
1.3.2.2 Seaway Stewardship and Support			
Seaway is open and available to commercial traffic	Percentage of system availability	99%	99%
1.3.2.3 Ferry Services Stewardship and Support			
Constitutional, regional and remote ferry services are available to users	Percentage of scheduled trips completed	100%	100%
1.3.2.4 Port Operations			
Transport Canada-owned ports are operational and available to users	Percentage of active ports operational	100%	100%

The Program achieved all its targets for these performance indicators.

Expected Results	Performance Indicators	Targets	Actual Results
1.3.3 Surface and Multimodal Infrastructure			
Federally funded surface infrastructure projects are completed and available to users as per/consistent with agreement date with recipient	Percentage of federally funded surface infrastructure operational	100%	94.5%
1.3.3.1 Rail Passenger Stewardship and Support			
Federally funded inter-city and remote passenger rail services have the capacity to meet existing commitments	Percentage of planned service levels that are achieved by federally-supported inter-city and remote passenger rail carriers	100%	95%
1.3.3.2 Federal Bridge Stewardship			
Federal bridges are capable of meeting	Percentage of federal funding obtained and delivered so the project can start	100%	Responsibility for the new

Expected Results	Performance Indicators	Targets	Actual Results
existing and future demand	within approved timelines		bridge over the St. Lawrence was transferred to Infrastructure Canada in February 2014
1.3.3.3 Highway and Other Transportation Infrastructure Support			
Federally funded highway and border surface infrastructure is available to users	Percentage of highway and border projects that meet funding objectives	100%	100%

The Program did not meet the target for performance indicators 1.3.3 and 1.3.3.1 due to unforeseen track closures, delays relating to track priorities and other incidents.

Strategic Outcome 2: A Clean Transportation System

Transport Canada promotes clean transportation in Canada. This Strategic Outcome advances the federal government's environmental agenda in the transportation sector and complements other federal programs designed to reduce air emissions to protect the health of Canadians and the environment for generations to come; protects the marine environment by reducing the pollution of water from transportation sources; and fulfills Transport Canada's responsibilities in working towards a cleaner and healthier environment with regard to its own operations.

The following Programs and sub-Programs support this Strategic Outcome:

Program 2.1: Clean Air from Transportation

Description: Transport Canada's Clean Air from Transportation Program advances the federal government's environmental agenda in the transportation sector and complements other federal programs designed to reduce air emissions for improving the health of Canadians and the environment for generations to come. The Program regulates air emissions from the transportation sector and oversees Transport Canada's clean air program obligations and commitments.

Sub-Program 2.1.1: Clean Air Regulatory Framework and Oversight

Description: Deriving its authority from the *Railway Safety Act*, the *Canada Shipping Act, 2001*, and the *Aeronautics Act*, Transport Canada's Clean Air Regulatory Framework and Oversight program contributes to reducing air emissions from transportation by creating and implementing regulatory regimes. The program sets the legal and regulatory frameworks that govern the transportation sector's air emissions; oversees transportation firms' compliance with their regulatory obligations; represents Canada in discussions to set international standards for air emissions in the transportation sector; and contributes to developing and implementing instruments to reduce air emissions from Canada's transportation sector.

Sub-Program 2.1.2: Clean Air Initiatives

Description: The Clean Air Initiatives advance the federal government's environmental agenda in the transportation sector by promoting and demonstrating ways to reduce transportation greenhouse gas emissions and other air pollutants; promoting, testing and demonstrating advanced vehicle technologies to reduce transportation greenhouse gas emissions and other air pollutants from motor vehicles; creating partnerships; and designing, negotiating and managing initiatives for transportation emission reduction.

Performance Analysis

In 2014–15, Transport Canada:

- continued to participate actively in the International Maritime Organization's Marine Environment Protection Committee to address air pollutant and greenhouse gas emissions from international maritime transportation, including contributing to relevant meetings and correspondence groups;
- led the Government of Canada's participation at the International Civil Aviation Organization (ICAO), to reduce the impact of aviation on the environment. Transport Canada actively participated in a number of ICAO groups to address air pollutant and greenhouse gas emissions, providing advice and leadership;
- contributed to the ongoing development of two new international emissions standards, a new carbon dioxide standard for airplanes and a new particulate matter standard for aircraft engines through participation on the ICAO's committee on Aviation Environmental Protection;
- continued to develop Locomotive Emissions Regulations that will help to reduce criteria air contaminant emissions from locomotives in Canada; and
- continued its work with:
  - provinces and territories to update or create new standards and codes to ensure the safe use of alternative fuels for motor vehicles; and
  - the U.S. National Highway Traffic Safety Administration and the United Nations World Forum for Harmonization of Vehicle Regulations (UN WP.29) to develop and update international regulations related to:
    - tire and hydrogen safety;
    - the safety of visually impaired pedestrians in relation to the use of electric and electric hybrid quiet vehicles; and
    - the safety of electrical energy storage systems for such vehicles.

Through the ecoTECHNOLOGY for Vehicles Program, Transport Canada undertook five joint test programs with Environment Canada, the U.S. Department of Transportation and the U.S. Environmental Protection Agency to support the development and alignment of vehicle safety and environmental standards in Canada and the U.S.

We also:

- approved funding in 2014–15, for two additional marine shore power projects that will help reduce emissions from Canadian Ports under the Shore Power Technology for Ports Program;
- signed a multi-year contribution agreement with Port Metro Vancouver for the Common Data Interface System Implementation Project as part of the Truck Reservation Systems Program. This project aims to improve technologies and communications to better integrate operations across container terminals and better coordinate and schedule container trucking movements;
- continued to monitor the progress of a multi-year project to reduce emissions at the Port of Montreal where radio frequency identification technology is operating to improve intermodal access and truck traffic flow, reducing overall congestion and emissions at the Port; and
- completed the pilot phase of the Gateway Carbon Footprint Initiative to quantify the greenhouse gas footprint of Canada's Asia-Pacific gateways.

To streamline the contract initiation process, Transport Canada worked with Public Works and Government Services Canada to develop a call for proposal process to support clean transportation research for the rail, aviation and marine sectors. This process has been very successful in providing us with technological potential that can improve regulatory development with the co-benefit of supporting Canadian innovation. Several research projects were set up for the three transportation sectors. This was the first of its kind for Transport Canada.

Budgetary Financial Resources (dollars) – For Program

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (authorities used)	Difference (planned minus actual)
2.1 Clean Air from Transportation				
38,992,028	38,992,028	31,358,409	24,011,027	14,981,001

Budgetary Financial Resources (dollars) – For Sub-Programs

Planned Spending	Actual Spending	Difference (planned minus actual)
2.1.1 Clean Air Regulatory Framework and Oversight		
12,564,413	10,830,887	1,733,526
2.1.2 Clean Air Initiatives		
26,427,615	13,180,140	13,247,475

Human Resources (FTEs) – For Program and Sub-Programs

Planned	Actual	Difference (planned minus actual)
2.1 Clean Air from Transportation		
88	64	24
2.1.1 Clean Air Regulatory Framework and Oversight		
57	39	18
2.1.2 Clean Air Initiatives		
31	25	6

Please refer to Section I: Organizational Expenditure Overview regarding budgetary financial and human resources variance explanations.

Performance Results – For Program and Sub-Programs

Expected Results	Performance Indicators	Targets	Actual Results
2.1 Clean Air from Transportation			
Decrease in intensity of greenhouse gas (GHG) emissions and air pollutants in the transportation sector	Transportation emission intensity (percent change in intensity as measured in tonnes per unit of activity (e.g. tonnes-km, tonnes per hour, tonnes per call, etc.)	An intensity improvement that is consistent with the plan established under the government's horizontal approach for clean air. Note: It will only be possible to set an absolute value once the transportation sector's share of the GoC reduction targets are established and shared	From 2005–12: Freight transportation increased from 85 grams to 96 grams of carbon dioxide equivalent per tonne-km Passenger transportation decreased from 142 grams to 120 grams of carbon dioxide equivalent per passenger-km

While all freight transportation modes became more efficient (and less greenhouse gas intensive) between 2005 and 2012, the latest year for which data is available, the increased reliance on trucks to move freight has increased the overall intensity of greenhouse gases in freight transportation from 85 grams to 96 grams per tonne-km. For passenger transportation, between 2005 and 2012, the greenhouse gas intensity decreased from 142 grams to 120 grams of carbon dioxide equivalent per passenger-km, as light-duty vehicles have become more fuel efficient.

Expected Results	Performance Indicators	Targets	Actual Results
2.1.1 Clean Air Regulatory Framework and Oversight			
Clean air regulatory framework (and policies) that align with international standards	Percentage of instruments that are aligned with domestic legislation or international standards.	100%	100% for aviation; 80% for marine
2.1.2 Clean Air Initiatives			
Clean Transportation technologies are available to users	Number of sites using clean transportation technologies	10	8 out of 10 (on track to meet target by March 31, 2016)

All current Canadian aviation environmental standards are aligned with international standards developed at the International Civil Aviation Organization. In the marine sector, we are examining options to ensure that international standards and domestic legislation be 90% aligned by 2020.

Program 2.2: Clean Water from Transportation

Description: The Clean Water from Transportation Program protects the marine environment by reducing the pollution of water from transportation sources. This Program regulates and monitors the release and impact of discharges from marine vessels into the marine environment, regulates ballast water and contributes to setting domestic and international rules that govern limits to liability of marine pollution incidents. This Program advances the federal government's clean water agenda in the transportation sector and complements other federal programs designed to protect the marine environment for the health of Canadians and the environment for generations to come. This Program also represents Canada in discussions to set international standards to prevent pollution from vessels operating in Canada's waters and address the threat of aquatic invasive species.

Sub-Program 2.2.1: Clean Water Regulatory Framework

Description: Guided by the *Canada Shipping Act, 2001*, the *Arctic Waters Pollution Prevention Act*, the *Marine Liability Act* and international conventions, the Clean Water Regulatory Framework program sets the legal and regulatory frameworks that govern the protection of the marine environment from pollution, the introduction of invasive species, and the environmental impact of pollution incidents.

Sub-Program 2.2.2: Clean Water Regulatory Oversight

Description: The Clean Water Regulatory Oversight program contributes to reducing pollution from vessels by monitoring compliance of marine transportation firms with the Marine Safety regulatory framework through surveillance, inspections, audits, monitoring and enforcement.

Performance Analysis

The Department continued to deliver on its commitment to protect the marine environment by helping reduce pollution from marine transportation activities.

In 2014–15 we:

- continued to enhance compliance and oversight activities through activities such as developing service standards for inspections, providing advice to industry on compliance issues and responding to concerns on technical issues facing the industry;
- collaborated on joint inspections with the U.S. Coast Guard for vessels entering the Great Lakes;
- worked to align our policies and regulations with the International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004, which Canada has ratified, in the context of a differing approach in the U.S. This work, which will further protect Canadian waters from aquatic invasive species, is taking into account legal, science, technical, costs, benefit and regional compatibility considerations; and
- made substantial progress in assessing the availability of technology to permit compliance with this Convention and U.S. requirements and communicated the results of these assessments to international partners and stakeholders.

During 2014–15, we also continued to support the Government of Canada's commitment to strengthen Canada's strong marine safety system through the World-Class Tanker Safety System Initiative[xxii]. This Initiative supports Responsible Resource Development[xxiii] by preventing spills from happening, cleaning them up quickly if they do occur, and ensuring that polluters, not taxpayers, are responsible for costs in the unlikely event of a spill.

Due to the permanent long-term funding from the World-Class Tanker Safety System Initiative, Transport Canada has been able to increase surveillance over all waters under Canadian jurisdiction. The National Aerial Surveillance program (NASP) pollution surveillance aircraft conducted surveillance in all regions of Canada. The NASP continues to have a positive impact in deterring potential polluters who transit waters under Canadian jurisdiction and achieved its target as it relates to allocated patrol hours. The NASP flew 3,842 patrol hours, overflew 19,551 vessels and identified 253,832 vessels through the Automated Identification System.

The NASP identified 322 pollution sightings during the 2014–15 fiscal year. Thirty-seven pollution sightings were confirmed as ship-source spills (a 16% decrease from 2013–14) and 258 pollution sightings were reported as mystery spills (a 68% increase from 2013–14) because the origin of the incident could not be linked directly to a source.

The total volume of pollutants observed during the fiscal year was estimated at 3,174 litres, a 29% decrease in the total volume of pollutants observed. These results are a function of improved sensitivity of NASP aircraft's sensors and crews, to detect very limited quantities of oil. For example, 89% of the reported pollution incidents were less than 10 litres, 9% were over 10 litres but below 100 litres and 2% were greater than 100 litres.

Furthermore, the NASP observed only five pollution sightings in 2014–15 outside the 12 nautical miles limit when compared to 11 in 2013–14. This represents a 55% decrease in the number of pollution sightings offshore. This is a direct result of programs such as the NASP, the Integrated Satellite Tracking of Pollution Program and stricter legislation and regulations for ships transiting waters under Canadian jurisdiction.

The NASP also assisted in 32 search and rescue incidents from the Regional Coordination Centre.

Transport Canada also continued to work closely with other federal departments, Aboriginal groups, and a broad range of stakeholders including other levels of governments and industry to strengthen marine safety and protect the environment under the World-Class Tanker Safety System Initiative. We also engaged a broad range of stakeholders across Canada to provide information on Canada's marine safety system and enhancements under the World-Class Tanker Safety System Initiative.

In 2014–15, we launched a new contribution program for Ocean Networks Canada's Smart Oceans Initiative. This contribution program will provide up to $20 million over three years to enable Ocean Networks Canada to:

- operate its network of ocean observatories and sensors, have its oceanographic data transformed into navigational safety information; and
- share this information with vessel operators and others to help avoid navigational hazards and prevent marine accidents.

Budgetary Financial Resources (dollars) – For Program

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (authorities used)	Difference (planned minus actual)
2.2 Clean Water from Transportation				
18,074,900	18,074,900	28,553,438	24,421,705	(6,346,805)

Budgetary Financial Resources (dollars) – For Sub-Programs

Planned Spending	Actual Spending	Difference (planned minus actual)
2.2.1 Clean Water Regulatory Framework		
2,621,699	8,518,203	(5,896,504)
2.2.2 Clean Water Regulatory Oversight		
15,453,201	15,903,502	(450,301)

Human Resources (FTEs) – For Program and Sub-Programs

Planned	Actual	Difference (planned minus actual)
2.2 Clean Water from Transportation		
75	71	4
2.2.1 Clean Water Regulatory Framework		
14	24	(10)
2.2.2 Clean Water Regulatory Oversight		
61	47	14

Please refer to Section I: Organizational Expenditure Overview regarding budgetary financial and human resources variance explanations.

Performance Results – For Program and Sub-Programs

Expected Results	Performance Indicators	Targets	Actual Results
2.2 Clean Water from Transportation			
Prevention of pollution in the marine environment from vessels operating in waters under Canadian jurisdiction	Number of releases of harmful pollutants in the marine environment by vessels identified by pollution patrol and other means	17	37

The result above includes all ship-source spills identified by the NASP, which continued to overlay ships in waters under Canadian jurisdiction and achieved its target relating to patrol hours.

Expected Results	Performance Indicators	Targets	Actual Results
2.2.1 Clean Water Regulatory Framework			
Legislation, regulations and policies that are harmonized with adopted international standards	Percentage of instruments that are aligned with domestic legislation and/or adopted international standards	95%	99% alignment with legislation; 90% aligned to international standards
2.2.2 Clean Water Regulatory Oversight			
Industry is compliant with the regulatory framework	Percentage of vessels in compliance with regulatory framework for environmental response regime	95%	98.7%
Industry is compliant with the regulatory framework for ballast water discharges in waters under Canadian jurisdiction	Percentage of vessels in compliance with Ballast Water Control and Management Regulations reporting rules	95%	90%

In relation to alignment to legislation and standards, 99% of instruments are aligned with domestic legislation, exceeding the target. Vessel Pollution and Dangerous Chemicals

Regulations under the *Canada Shipping Act, 2001,* may have discharge requirements that would not align with the application of the *Arctic Waters Pollution Prevention Act* in inland waters north of 60°, so a review is underway. Instruments are 90% aligned to international standards. We must update the Regulations to implement recent changes to standards under the International Convention for the Prevention of Pollution from Ships.

Inspections of foreign ships operating in Canada under the Port State Control program found compliance with environmental requirements at 98.7%. Overall compliance was at 90% for vessels to report on the status of their ballast water 96 hours before arrival at a Canadian port. 100% compliance was attained for the Great Lakes, owing to all inbound vessels inspected under the joint program with the U.S. Coast Guard and both Canadian and American Seaway Corporations.

Program 2.3: **Environmental Stewardship of Transportation**

Description: The Environmental Stewardship Program fulfills Transport Canada's responsibilities in working towards an environmentally responsible national transportation system for Canadians by ensuring compliance with the Department's environmental obligations in relation to acts, regulations, policies and guidelines, and meeting legal obligations with respect to Aboriginal consultation.

The Program fulfills Transport Canada's responsibilities to implement a Departmental Sustainable Development Strategy under the *Federal Sustainable Development Act*; ensures that Transport Canada's lands and facilities are managed in an environmentally responsible manner in compliance with federal legislation and policies; provides functional support for environmental assessments, including for major resource projects; manages contaminated sites; and advises on Aboriginal consultation.

Performance Analysis

Transport Canada supported the Government of Canada initiatives to improve the regulatory framework of major resource projects throughout Canada. We worked closely with other departments through interdepartmental working groups to ensure a continued coordinated and efficient approach to the application of the Major Projects Management Office (MPMO) and the Northern Project Management Office (NPMO) processes across the federal government departments participating in these initiatives.

Transport Canada:

- fulfilled its Aboriginal consultation and engagement obligations;
- participated in Government of Canada Aboriginal consultations, coordinated by the Canadian Environmental Assessment Agency, MPMO and NPMO; and
- contributed to the "Whole-of-Government" approach and the development of interdepartmental procedures, guidance and project agreements to govern Aboriginal consultation and engagement.

Transport Canada supported the MPMO in the renewal of the MPMO Initiative, for which an additional five years of funding was announced in Budget 2015. We were involved in the completion of three transitional comprehensive studies and two review panels within the legislated timelines, and are currently involved in 56 of the 89 MPMO projects and 32 of 35 active NPMO projects.

We began the Assessment of Climate Risks and Adaptation Practices for the Canadian Transportation Sector and undertook key activities; including creating an advisory committee, engaging with stakeholders, and completing the first drafts of the Assessment chapters.

Transport Canada is responsible for a wide-range of transportation operations and over 90 sites that it owns and operates, including airports, ports, and harbour beds. Operations include fleets of aircrafts and vehicles, stores, warehouses and offices in central and remote sites across the country. The National Environmental Management System is our tool for ensuring environmental stewardship of our lands and activities, and was used to ensure that our owned and operated airports, ports and our other operations were 100% compliant with all applicable environmental legislation, regulations and policies.

We continued to contribute to the Greening Government Operations (GGO) targets under the 2013–16 Federal Sustainable Development Strategy[xxiv] (FSDS) and worked extensively to ensure that all of our GGO commitments were achieved or underway to be achieved within the specified FSDS timelines. We have achieved all GGO targets through Theme IV. The targets under Theme IV are national in scale and cover a wide-range of activities including reducing greenhouse gas emissions from our operations, improving the environmental performance of our buildings, reducing paper consumption and properly managing our electronic and electrical equipment. For additional details on Transport Canada's GGO activities please see Section III Supplementary Information Tables of this report.

Budgetary Financial Resources (dollars) – For Program

Main Estimates	Planned Spending	Total Authorities (available for use)	Actual Spending (authorities used)	Difference (planned minus actual)
2.3 Environmental Stewardship of Transportation				
29,171,557	29,171,557	43,124,602	44,745,522	(15,573,965)

Human Resources (FTEs) – For Program

Planned	Actual	Difference (planned minus actual)
2.3 Environmental Stewardship of Transportation		
125	127	(2)

Please refer to Section I: Organizational Expenditure Overview regarding budgetary financial and human resources variance explanations.

Performance Results – For Program

Expected Results	Performance Indicators	Targets	Actual Results
2.3 Environmental Stewardship of Transportation			
Compliance with Transport Canada's obligations in relation to acts, regulations, policies and guidelines	Percentage of Departmental commitments achieved under the Federal Sustainable Development Strategy	100%	100%
Compliance with Transport Canada's obligations in relation to acts	Number of instances where Transport Canada was not in compliance with applicable environmental legislation	0	0
Compliance with Transport Canada's obligations in relation to acts	Number of instances Transport Canada was found to have failed to meet its legal duty to consult Aboriginal groups	0	0

Strategic Outcome 3: A Safe and Secure Transportation System

A safe and secure transportation system moves people and goods across Canada, and to international destinations, without loss of life, injury or damage to property. Transport Canada supports a safe and secure transportation system by influencing the behaviour of the public and industry through policies, standards, regulations and laws. Harmonized and streamlined regulatory regimes, informed by the expertise of multiple countries and stakeholders, aid effective, safe and secure transportation practices and a sound safety and security culture. Transport Canada ensures that Canadians and the transportation industry are in compliance with the regulatory framework through their oversight program.

The following Programs and sub-Programs support this Strategic Outcome:

Program 3.1: Aviation Safety

Description: The Aviation Safety Program, under the authority of the *Aeronautics Act* develops, administers and oversees the policies, regulations and standards necessary for the safe conduct of civil aviation within Canada's borders in a manner harmonized with international standards. The Program fosters the safety of the aviation system, provides oversight of the aviation sector and enforces international conventions signed by Canada. It also provides air transport services to support Transport Canada and other government department operations.

Sub-Program 3.1.1: Aviation Safety Regulatory Framework

Description: The Aviation Safety Regulatory Framework program provides a balance of tools (policies, guidelines, regulations, standards, and education and awareness activities) based on risk, to promote a harmonized aviation safety regulatory framework for Canadians and Canada's aviation industry.

Sub-Program 3.1.2: Aviation Safety Oversight

Description: The Aviation Safety Oversight program is risk-based and supports compliance of the aviation industry with the regulatory framework through services, assessments, validations, inspections, audits and, when necessary, enforcement.

Sub sub-Program 3.1.2.1: Service to the Aviation Industry

Description: Guided by the standards and regulatory requirements in the Canadian Aviation Regulations, the Service to the Aviation Industry program licenses personnel, provides operating certificates to organisations and certifies aeronautical products.

Sub sub-Program 3.1.2.2: Surveillance of the Aviation System

Description: The Surveillance of the Aviation System program, based on risk, monitors aviation industry compliance of the regulatory framework through assessments and validations, inspections, audits and, when necessary, enforcement.

Sub-Program 3.1.3: Aircraft Services

Description: The Aircraft Services program provides aircraft and aircraft maintenance and training services to Transport Canada and other federal government departments and agencies.

Performance Analysis

In 2014-15, Transport Canada developed and/or published regulatory amendments to strengthen safety requirements. These included additional requirements for offshore helicopter operations and a new regulatory regime for the private business operators to expand Safety Management System requirements and addressed Transportation Safety Board recommendations. We also published Civil Aviation Safety Advisories and other guidance material in response to specific concerns. For example, in response to the Germanwings tragedy, Transport Canada immediately issued an Interim Order requiring two crew members be present in the cockpit at all times.

As part of an Aerodrome Review, we developed legislative amendments to ensure consultation before aerodrome construction, which came into force through the *Budget Implementation Act* in the fall of 2014. We also developed associated regulations to clarify and standardize consultation requirements.

Transport Canada developed and implemented an accelerated plan for managing safe Unmanned Aerial Vehicle operations in Canada by:

- conducting a safety awareness campaign on social and other media;
- clarifying and streamlining the guidelines for issuing special operating certificates; and
- developing policy options for a flexible and effective regulatory framework.

We continued to strengthen the Civil Aviation Quality Assurance program and carry out reviews to identify opportunities for improvement in program delivery.

In addition, we adopted a national process to manage certification requests through a centralized record system, which allows us to better balance staff resources across Canada to improve service delivery and meet service standards.

Transport Canada dedicated important efforts to People Management in 2014–15, with a particular emphasis on staffing activities. While recruitment remains a challenge in competing with industry for qualified resources, Aviation Safety managed to achieve planned staffing levels in core occupational groups for oversight activities by continuing to use innovative and/or high priority recruitment strategies such as inventory systems. We completed 23 Aviation Safety People Management Action Plan initiatives, including the development of the “Leadership in a Technical Environment” course that we will implement nationally across all modes.

Staff in regions and headquarters are collaborating to identify areas of continued improvement for standardization such as the quality control measures they apply to reporting oversight activities. We have also worked to strengthen Civil Aviation’s standardization under the Directive on Safety and Security Oversight.

Budgetary Financial Resources (dollars) – For Program

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (authorities used)	Difference (planned minus actual)
3.1 Aviation Safety				
170,709,221	170,709,221	189,711,582	188,941,065	(18,231,844)

Budgetary Financial Resources (dollars) – For Sub-Programs

Planned Spending	Actual Spending	Difference (planned minus actual)
3.1.1 Aviation Safety Regulatory Framework		
28,798,650	27,467,386	1,331,264
3.1.2 Aviation Safety Oversight		
118,061,919	132,988,207	(14,926,288)
3.1.2.1 Service to the Aviation Industry		
32,453,361	42,416,467	(9,963,106)
3.1.2.2 Surveillance of the Aviation System		
85,608,558	90,571,740	(4,963,182)
3.1.3 Aircraft Services		
23,848,652	28,485,472	(4,636,820)

Human Resources (FTEs) – For Program and Sub and Sub-Programs

Planned	Actual	Difference (planned minus actual)
3.1 Aviation Safety		
1,736	1,487	249
3.1.1 Aviation Safety Regulatory Framework		
254	174	80
3.1.2 Aviation Safety Oversight		
1,128	1,029	99
3.1.2.1 Service to the Aviation Industry		
349	375	(26)
3.1.2.2 Surveillance of the Aviation System		
779	654	125
3.1.3 Aircraft Services		
354	284	70

Please refer to Section I: Organizational Expenditure Overview regarding budgetary financial and human resources variance explanations.

Performance Results – For Program and Sub and Sub-sub Programs

Expected Results	Performance Indicators	Targets	Actual Results
3.1 Aviation Safety			
A safe civil aviation system	Number of accidents per 100,000 hours of flight (ten-year average) (Improvement = decrease)	6.7[18]	5.5

The 2005-2014 ten-year average aviation accident rate (preliminary data) was 5.5 accidents per 100,000 hours flown, a decrease of 16.5 percent compared to the target of the 2000-2009 ten year average of 6.6. These results show a positive momentum in the lower number of aviation accidents.

Expected Results	Performance Indicators	Targets	Actual Results
3.1.1 Aviation Safety Regulatory Framework			
A timely rulemaking program that supports a risk-based regulatory framework	Average time (years) to develop new or modified regulations governing aviation safety (Improvement = decrease)	3.77	3.56[19]

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[18] The 2000-09 ten-year average target of 6.7 was based on preliminary data. Based on final data for hours flown, the actual target should be changed to 6.6.

[19] The 3.56 years average time to develop new or modified regulations governing aviation safety shows improvement compared to the previous three-year cycle. The variance is due to all resources in various areas of expertise being dedicated to a high priority regulatory amendment with a strict deadline.

Expected Results	Performance Indicators	Targets	Actual Results
3.1.2 Aviation Safety Oversight			
Compliance of aviation community with regulatory requirements	Percentage of operators that improve their Program Validation Inspection (PVI) score measuring to what degree they meet aviation safety requirements (Improvement = increase)	2.4[20]	2.17[21]
3.1.2.1 Service to the Aviation Industry			
Services delivered support the conduct of business activities in the Canadian Aviation Industry	Percentage of services delivered meeting service standards	63%	88%[22]
3.1.2.2 Surveillance of the Aviation System			
Aviation hazards and risks are being systematically managed by the aviation community	Average severity of non-compliance findings in aviation enterprises on a scale of 5, with 1 being most severe (Improvement = increase)	2.0	Average component score of 1.94[23]
3.1.3 Aircraft Services			
Safe aviation services resulting in confidence from clients	Percentage of clients satisfied or very satisfied with services (scoring 2 or 3 on a 3-point scale). (Improvement = increase)	80%	80%
Safe aviation services resulting in confidence from clients	Number of category 3[24] or greater category occurrences (per 1,000 flight hours) (Improvement = decrease)	2.0	1.10[25]

Program 3.2: **Marine Safety**

Description: The Marine Safety program, under the authority of the *Canada Shipping Act 2001*[xxv], the *Navigable Protection Act*[xxvi], the *Safe Containers Act*[xxvii], the *Pilotage Act*[xxviii], the *Coasting Trade Act* [xxix]and the *Arctic Waters Pollution Prevention Act*[xxx], develops, implements and administers policies, regulations and standards necessary for the safe conduct of marine activities in a manner harmonized with international standards.

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[20] The baseline target was established in 2013–14. Operators' scores can only be compared once they have completed at least one cycle of the 5-year risk-based surveillance plan.

[21] For 2014-15, TC measured areas of compliance versus non compliance based on the following 3 point scale: 3=fully compliant, 2=partially compliant, 1=entirely non compliant. The result of 2.17 is the average rating of compliance.

[22] The result is positive; eleven services are not yet represented as full national implementation of the tracking system is ongoing.

[23] Minor variations are expected year after year; the component score variation from target is considered normal.

[24] Category 3 occurrences include an occurrence with moderate damage, injury, delay, grounded aircraft and/or costs as per the Canadian Aviation Regulations.

[25] The variance against previous year is down as a result of the implementation of the operational quality assurance program which contributed to enhanced safety awareness.

The Program fosters the safety of the marine transportation system; provides oversight of the marine industry, including domestic and foreign vessels (both non-pleasure craft and pleasure craft); enforces international conventions signed by Canada; and protects the public right to navigate on Canadian waterways by regulating lights or markers required for safe navigation during and/or on completion of certain works, regulating the placement of private buoys as per the Private Buoy Regulations of the *Canada Shipping Act, 2001* and acting as Receiver of Wreck as per the *Canada Shipping Act, 2001*, Part 7.

Sub-Program 3.2.1: Marine Safety Regulatory Framework

Description: The Marine Safety Regulatory Framework program provides a balance of tools (policies, guidelines, regulations and standards) to support a harmonized marine safety regulatory framework for Canada's marine industry (seafarers, commercial vessels [non-pleasure craft] and pleasure crafts). This program also works to harmonize Canada's marine safety regulatory framework with other jurisdictions.

Sub-Program 3.2.2: Marine Safety Oversight

Description: The Marine Safety Oversight program is risk-based and supports compliance of the marine industry with the regulatory framework through services, assessments, validations, inspections, audits and, when necessary, enforcement.

Sub-Program 3.2.3: Navigable Waters Protection

Description: The Navigable Waters Protection Program protects the public right of safe navigation in Canada's waters by removing obstructions to navigation and approving any works built or placed in, on, over, under, through or across navigable water before construction.

Performance Analysis

Transport Canada advanced the modernization of Marine Safety's regulatory and oversight frameworks. We:

- made significant progress in revising the Marine Personnel Regulations;
- developed the preliminary architecture and drafting instructions for regulations replacing the Competency of Operators of Pleasure Craft Regulations; and
- completed program research work and consultation for all the Safety Management Systems Regulations.

The Department carried out commitments under the Action Plan for the Canada–U.S. Regulatory Cooperation Council[xxxi] by developing a Regulatory Partnership Statement (RPS) with the U.S. Coast Guard. The RPS:

- details roles and responsibilities;
- identifies stakeholder engagement opportunities; and

- identifies work to be accomplished.

Transport Canada's Navigable Waters Protection Program continued to modernize its approach to navigation protection by implementing the *Navigation Protection Act*, which came into force in April 2014.

Budgetary Financial Resources (dollars) – For Program

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (authorities used)	Difference (planned minus actual)
3.2 Marine Safety				
56,003,982	56,003,982	69,597,720	69,847,859	(13,843,877)

Budgetary Financial Resources (dollars) – For Sub-Programs

Planned Spending	Actual Spending	Difference (planned minus actual)
3.2.1 Marine Safety Regulatory Framework		
9,737,859	12,422,775	(2,684,916)
3.2.2 Marine Safety Oversight		
41,697,456	51,338,279	(9,640,823)
3.2.3 Navigable Waters Protection		
4,568,667	6,086,805	(1,518,138)

Human Resources (FTEs) – For Program and Sub-Programs

Planned	Actual	Difference (planned minus actual)
3.2 Marine Safety		
590	579	11
3.2.1 Marine Safety Regulatory Framework		
98	91	7
3.2.2 Marine Safety Oversight		
425	437	(12)
3.2.3 Navigable Waters Protection		
67	51	16

Please refer to Section I: Organizational Expenditure Overview regarding budgetary financial and human resources variance explanations.

Performance Results – For Program and Sub-Programs

Expected Results	Performance Indicators	Targets	Actual Results
3.2 Marine Safety			
A safe marine transportation system	Number of Canadian commercial vessel (non-pleasure craft) occurrences[26] per 1,000 vessels in the Canadian registry (five-year moving average) (Improvement = decrease)	9.5 Baseline is 13.6 occurrences per 1,000 vessels. Rate change from 13.6 to 9.5 represents a 30% decrease	18.6
A safe marine transportation system	Number of pleasure craft fatalities per licensed pleasure craft (five-year average) (Improvement = decrease)	110 fatalities to 2.8 million licensed pleasure crafts	116

The actual result of 18.6 (five-year moving average) is higher than the target of 9.5 as it reflects a clarification made by the Transportation Safety Board (TSB). The TSB clarified the types of marine incidents that must be reported. The clarification resulted in more than twice as many incidents being reported as compared to the 2009–10 levels thus increasing the number of occurrences. The Department will review its performance targets for the future in light of the TSB clarification of incidents.

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[26] A transportation occurrence is a transportation accident or incident. See the Transportation Safety Board Regulations for precise definitions of accident and incident.

Expected Results	Performance Indicators	Targets	Actual Results
3.2.1 Marine Safety Regulatory Framework			
A risk-based regulatory framework consistent with international conventions and Cabinet Directive on Streamlining Regulation	Percentage of regulations aligned with domestic legislation and/or adopted international standards (Improvement = increase)	85%	65%[27]
3.2.2 Marine Safety Oversight			
Compliance with regulations for inspected domestic vessels (non-pleasure craft)	Percentage of inspected domestic vessels (non-pleasure craft) that are compliant with regulations[28] (Improvement = increase)	68%	65%[29]
Compliance with regulations for pleasure craft	Percentage of pleasure craft compliant with regulations (includes those that received a courtesy check)[30] (Improvement = increase)	60%	86%[31]
The Port State Control regulatory oversight inspects the highest risk foreign vessels	Percentage of high-risk foreign vessels inspected (Improvement = increase)	95%	95%
3.2.3 Navigable Waters Protection			
The public's right to safely navigate Canada's waterways is protected	Number of public complaints received for works not compliant with navigable waters legislation (Improvement = decrease)	175	126

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[27] New codes and conventions were introduced resulting in an increase in the amount of regulatory amendments. A gap analysis is currently underway to ensure compliance with international obligations.

[28] Non-compliant vessels that are deemed unsafe are stopped immediately. Non-compliance can range from an individual not producing the appropriate document to the Inspector when requested to do so, to failure to rectify an identified safety deficiency with the vessel. All non-compliance must be addressed within a prescribed timeframe to continue to ensure marine safety. The overall target of 70% compliance consists of all vessels with no noted safety deficiencies whatsoever (regardless of how minor). The target will continue evolve in line with inspections and awareness in collaboration with Canadian and international partners. This indicator is under review.

[29] The 3% variance is attributable to a 75% increase in the number of risk-based inspections (high-risk vessels and operators) and a new quality assurance program, including a review of the deficiency reporting process.

[30] This indicator is under review.

[31] Following the 2014 boating season, 4,130 valid pleasure craft courtesy check forms were analyzed.

Program 3.3: Rail Safety

Description: The Rail Safety Program, under the authority of the *Railway Safety Act*[xxxii], develops, administers and oversees the policies and regulatory instruments necessary for the safety of railway operations in a manner consistent with North American and international safety standards/levels. The Program fosters safety within the rail transportation system and provides oversight of the rail industry. It also promotes public safety at crossings, identifies the risks of trespassing and provides funds to improve safety at grade crossings.

Sub-Program 3.3.1: Rail Safety Regulatory Framework

Description: The Rail Safety Regulatory Framework program provides a balance of tools (policies, guidelines, regulations, rules and engineering standards) to promote a harmonized rail safety regulatory framework for the rail industry and the public at large, while ensuring viability of the rail sector.

Sub-Program 3.3.2: Rail Safety Oversight

Description: The Rail Safety Oversight program is risk-based and promotes compliance of the rail industry with the regulatory framework through inspections, audits and, when necessary, enforcement.

Sub-Program 3.3.3: Rail Safety Awareness and Grade Crossing Improvement

Description: The Rail Safety Awareness and Grade Crossing Improvement program provides funding for safety improvements at grade crossings and promotes public and stakeholder awareness and education in order to prevent fatalities and injuries.

Performance Analysis

In 2014–15, Rail Safety made significant progress on implementing recommendations from the 2013 Fall Report of the Auditor General of Canada[xxxiii] (Chapter 7—Oversight of Rail Safety—Transport Canada), following the tragic events at Lac-Mégantic, which included developing key regulations, developing and implementing a Human Resources Strategy, and developing key quality management procedures.

In response to the Transportation Safety Board's recommendations and advisories following the accident at Lac-Mégantic in 2013, Transport Canada issued a number of Emergency Directives and Ministerial Orders on train securement and rail transportation of dangerous goods to enhance the safety of railway operations in Canada.

The Rail Safety Program also completed the accelerated development of key regulations stemming from Amendments to the *Railway Safety Act* passed in 2013, including the coming into force of regulations related to Railway Operating Certificates, Administrative Monetary Penalties, Grade Crossings, Transportation Information, and modifications to Safety

Management Systems. The amended regulations strengthen the oversight program by addressing three key areas:

1) Providing more detail and clarity to make it easier for:
    - the rail sector to implement Safety Management System (SMS) requirements; and
    - TC to enforce this regulatory framework;
2) Expanding the scope of application of SMS to local railway companies operating on federal track; and
3) Bringing into force new provisions resulting from amendments to the *Railway Safety Act*.

Budgetary Financial Resources (dollars) – For Program

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (authorities used)	Difference (planned minus actual)
3.3 Rail Safety				
34,265,437	34,265,437	36,881,268	35,333,175	(1,067,738)

Budgetary Financial Resources (dollars) – For Sub-Programs

Planned Spending	Actual Spending	Difference (planned minus actual)
3.3.1 Rail Safety Regulatory Framework		
3,576,598	3,243,462	333,136
3.3.2 Rail Safety Oversight		
14,826,251	20,570,738	(5,744,487)
3.3.3 Rail Safety Awareness and Grade Crossing Improvement		
15,862,588	11,518,975	4,343,613

Human Resources (FTEs) – For Program and Sub-Programs

Planned	Actual	Difference (planned minus actual)
3.3 Rail Safety		
199	190	9
3.3.1 Rail Safety Regulatory Framework		
22	28	(6)
3.3.2 Rail Safety Oversight		
139	145	(6)
3.3.3 Rail Safety Awareness and Grade Crossing Improvement		
38	17	21

Please refer to Section I: Organizational Expenditure Overview regarding budgetary financial and human resources variance explanations.

Performance Results – For Program and Sub-Programs

Expected Results	Performance Indicators	Target	Actual Results
3.3 Rail Safety			
A safe rail transportation system	Rate of rail accidents (per million train miles) that occur on railways under *federal jurisdiction (includes main-track* collisions, derailments, non-main track derailments and collisions, fires/explosions and others) (five-year average) (Improvement = decrease)	12.7	16.02
A safe rail transportation system	Rate of rail incidents (per million train miles) that occur on railways under federal jurisdiction (includes main-track switch in abnormal position, movement exceeds limits of authority, dangerous goods leak, crew member incapacitated, runaway rolling stock, signal less restrictive than required and unprotected overlap of authorities) (five-year average) (Improvement = decrease)	2.21	2.83[32]

The increase in rail accidents in 2014 is mainly due to the change in derailments reporting requirements made by the Transportation Safety Board. Derailments are now defined as "Any time one or more wheels of rolling stock come off the normal running surface of the rail." In 2014 there was a significant increase in non-main track derailments

Rail incidents decreased in 2014 by 2.7%, as compared to 2013.

Expected Results	Performance Indicators	Target	Actual Results
3.3.1 Rail Safety Regulatory Framework			
The regulatory framework addresses the highest risks	Percentage of rail risk mitigation strategies developed per total number of identified risks in rail safety business plan (Improvement = increase)	90%	100%[33]

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[32] Incidents dropped by 2.7% in 2014, as compared to 2013.

[33] All risk identified in 2014– 15 had mitigation strategies identified.

Expected Results	Performance Indicators	Target	Actual Results
3.3.2 Rail Safety Oversight			
Rail industry has a strong safety culture	Index of railway industry Safety Management Systems (SMS) implementation (Improvement = increase)	TBD[34]	Not measurable
Rail industry is compliant	Percentage of rail industry that is compliant with rules, regulations and standards as set out in the Railway Safety Act (Improvement = increase)	80%	Not measurable[35]
3.3.3 Rail Safety Awareness and Grade Crossing Improvement			
Safe railway grade crossings	Percentage of crossing collisions reduced (Improvement = increase)	5%	2.3%[36]
Trespassing on railways eliminated	Percentage of trespassing accidents reduced (Improvement = increase)	5%	5.2%[37]

Program 3.4: **Motor Vehicle Safety**

Description: The Motor Vehicle Safety Program, under the authority of the *Motor Vehicle Safety Act*[xxxiv], develops, administers and oversees the policies, regulations and standards necessary for the safety of motor vehicles and commercial vehicle operations in a manner that is harmonized with international and national standards. The Program contributes to reduced road deaths and injuries and provides safety oversight of the motor vehicle industry.

Sub-Program 3.4.1: Motor Vehicle Safety Regulatory Framework

Description: The Motor Vehicle Safety Legislative and Regulatory Framework program provides a balance of tools (policies, guidelines, regulations and standards) to create and maintain a harmonized Motor vehicle safety framework for Canadians and Canada's Motor Vehicle manufacturing industry. The framework is developed using evidence obtained from field investigations, physical testing of vehicles, collision statistics, and joint regulatory development with our trading partners.

Sub-Program 3.4.2: Motor Vehicle Safety Oversight

Description: The Motor Vehicle safety Oversight program is risk-based and assesses compliance of the Motor Vehicle manufacturing industry with the regulatory framework through inspections, audits, physical testing and, where necessary, enforcement.

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[34] This indicator is currently under review based on the revised SMS regulations.
[35] This indicator is currently under review based on the revised SMS regulations.
[36] Crossing collisions dropped from 184 in 2013, to 180 in 2014.
[37] Trespassing accidents dropped from 58 to 55 in 2014.

Sub-Program 3.4.3: Motor Carrier Safety

Description: Guided by the *Motor Vehicle Transport Act*, the Motor Carrier Safety program achieves safer motor carrier (trucking and busing) operations by advancing implementation of the National Safety Code (performance standards for commercial vehicle operations); by managing a contribution program for provinces and territories towards consistent implementation of the National Safety Code; and by maintaining the Federal Hours of Service Regulations for commercial vehicle drivers.

Performance Analysis

Transport Canada's Motor Vehicle Safety Program successfully completed or made significant progress on programs and deliverables, and exceeded several targets.

In particular, the Program:

- proposed modifications to the *Motor Vehicle Safety Act*, which were passed as part of Bill C-31, *Economic Action Plan 2014 Act*;
- completed regulations for controls and displays, and progress on side impact protection and ejection mitigation;
- completed the Crashworthiness and Crash Avoidance Programs; whose results contributed to Canada's Regulatory Cooperation Council (RCC) obligations. These results will also inform the alignment of domestic and international motor vehicle safety regulations; and
- established a work plan for RCC Phase II with the U.S. National Highway Traffic Safety Administration.

Transport Canada processed nearly a thousand more defect complaints than the 1600 targeted, and achieved nearly 100% on service standards. Transport Canada further contributed to strengthened motor vehicle safety as it received and published more than 150 more recalls than the 420 targeted, and exerted direct influence on 15% of the total number of recalls.

Budgetary Financial Resources (dollars) – For Program

Main Estimates	Planned Spending	Total Authorities Available for Use)	Actual Spending (authorities used)	Difference (planned minus actual)
3.4 Motor Vehicle Safety				
20,905,007	20,905,007	24,090,043	25,940,392	(5,035,385)

Budgetary Financial Resources (dollars) – For Sub-Programs

Planned Spending	Actual Spending	Difference (planned minus actual)
3.4.1 Motor Vehicle Safety Regulatory Framework		
8,006,196	9,583,926	(1,577,730)

Planned Spending	Actual Spending	Difference (planned minus actual)
3.4.2 Motor Vehicle Safety Oversight		
7,740,138	11,187,823	(3,447,685)
3.4.3 Motor Carrier Safety		
5,158,673	5,168,643	(9,970)

Human Resources (FTEs) – For Program and Sub-Programs

Planned	Actual	Difference (planned minus actual)
3.4 Motor Vehicle Safety		
108	78	30
3.4.1 Motor Vehicle Safety Regulatory Framework		
51	37	14
3.4.2 Motor Vehicle Safety Oversight		
50	36	14
3.4.3 Motor Carrier Safety		
7	5	2

Please refer to Section I: Organizational Expenditure Overview regarding budgetary financial and human resources variance explanations.

Performance Results – For Program and Sub-Programs

Expected Results	Performance Indicators	Targets	Actual Results
3.4 Motor Vehicle Safety			
Safe motor vehicles based on improved crash avoidance and crash survivability	Collisions per 10,000 motor vehicles registered (Improvement = decrease)	2% reduction in the rate for 2012 as compared to average of previous 5 years	17.3% reduction in 2012 as compared to five-year average (2007–11); 2012 is the most recent data available
Safe motor vehicles based on improved crash avoidance and crash survivability	Fatalities per 10,000 police-reported collisions occurring on public roads (Improvement = decrease)	1% reduction in the rate for 2012 as compared to average of previous five years	3% increase in 2012 as compared to five-year average (2007–11); 2012 is the most recent data available
Safe motor vehicles based on improved crash avoidance and crash survivability	Serious injuries per 10,000 police-reported collisions occurring on public roads (Improvement = decrease)	1% reduction in the rate for 2012 as compared to average of previous five years	3.8% increase in 2012 as compared to five-year average (2007–11); 2012 is the most recent data available

While the overall number of collisions decreased in 2012 compared to previous years, variability in the reporting by the provincial and territorial jurisdictions of the collision data could account for the significantly better than expected results with respect to crash avoidance (first metric).

A slight increase in fatalities and serious injuries coupled with a decrease in overall collisions account for the increase in the rate-based measure.

Expected Results	Performance Indicators	Targets	Actual Results
3.4.1 Motor Vehicle Safety Regulatory Framework			
A performance-based regulatory framework that is harmonized with international vehicle safety regimes where appropriate	Percentage of standards that are harmonized with international motor vehicle safety standards (Improvement = increase)	80%	81%
3.4.2 Motor Vehicle Safety Oversight			
Motor vehicle industry is compliant with the regulatory framework	Percentage of the motor vehicle industry that is compliant with the regulatory framework (Improvement = increase)	80%[38]	93%
3.4.3 Motor Carrier Safety			
Harmonized safety regime for motor carriers among provinces and territories	Percentage of jurisdictions that have adopted all of the 15 standards under the National Safety Code (Improvement = increase)	80%	80%

Program 3.5: Transportation of Dangerous Goods

Description: The Transportation of Dangerous Goods Program, under the authority of the *Transportation of Dangerous Goods Act, 1992*[xxxv], develops, administers and oversees the policies, regulations and standards necessary for the safe transportation of dangerous goods by all modes of transport in Canada in a manner harmonized with the international standards, and provides expertise in emergency response in the event of release of dangerous goods. This Program also works to prepare for and coordinate the response to safety and security threats and incidents that may impact the national transportation system or the Department with regards to Chemical, Radiological, Biological, Nuclear or Explosive substances. The Program fosters safety in the transport of dangerous goods, provides oversight of the transportation industry, enforces international conventions signed by Canada and responds to emergency situations that affect the safety of Canadians.

Sub-Program 3.5.1: Transportation of Dangerous Goods Regulatory Framework

Description: The Transportation of Dangerous Goods Regulatory Framework program provides a balance of tools (policies, guidelines, regulations and standards) to promote a harmonized regulatory framework for the safe transportation of dangerous goods within Canada and imported to Canada.

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[38] Transport Canada regulates thousands of vehicle manufacturers, importers and distributors. The initial level of compliance was set at 80% to reflect the challenge of informing such a diverse number of small businesses of their legal obligations. Enforcement activities, such as obtaining and auditing certification documents from new manufacturers and importers to assess compliance with Canadian safety standards, and working closely with Canada Border Services Agency to prevent entry of non-compliant vehicle shipments, detect and prevent the entry into commerce of non-compliant vehicles until they meet regulatory requirements.

Sub-Program 3.5.2: Transportation of Dangerous Goods Oversight

Description: The Transportation of Dangerous Goods Oversight program is risk-based and, supports compliance of industry with the regulatory framework through services, assessments and validations, inspections, audits and, when necessary, enforcement.

Sub-Program 3.5.3: Emergency Response for Transportation of Dangerous Goods

Description: Required by the *Transportation of Dangerous Goods Act, 1992*, the Transportation of Dangerous Goods' Emergency Response program protects the safety of human life and health and of property and the environment by providing immediate 24-hour scientific advice, safety precautions and action measures to first responders through the Canadian Transport Emergency Centre following an incident involving dangerous goods; attending dangerous goods incidents and providing onsite response direction by Transportation Dangerous Goods' Remedial Measure Specialist; producing the Emergency Response Guide book as a tool for initial response during the first 15 minutes at the scene of an accident involving dangerous goods; responding to security threats in partnership with industry; and conducting research on emergency response to releases of chemicals.

Performance Analysis

Transport Canada made several regulatory amendments to enhance labelling and handling of dangerous goods such as crude oil and lithium batteries. Extensive collaboration and technical standards for new TC-117 tank cars resulted in harmonized standards that were published for comment.

We also:

- initiated a research project with Alberta Innovates Technology Futures to assess properties, behaviour and hazards of crude oil, by sampling, testing and analysing about 100 samples transported by road or rail, in different regions of Canada;
- continued to enhance our oversight and enforcement capacity by staffing new inspector positions;
- established specialized tools and training programs;
- improved the efficiency of the transportation of dangerous goods information management system to ensure completeness, consistency, reliability and data sharing. The testing phase of the information desktop was finalized and the application is ready for production; and
- developed a generic Memorandum of Arrangement on data-sharing for discussions with provinces and territories. Meetings took place with Alberta, New Brunswick, Nova Scotia, Ontario and Manitoba. Other discussions are scheduled throughout 2015–16.

Budgetary Financial Resources (dollars) – For Program

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (authorities used)	Difference (planned minus actual)
3.5 Transportation of Dangerous Goods				
14,727,734	14,727,734	21,122,353	22,740,646	(8,012,912)

Budgetary Financial Resources (dollars) – For Sub-Programs

Planned Spending	Actual Spending	Difference (planned minus actual)
3.5.1 Transportation of Dangerous Goods Regulatory Framework		
3,318,097	4,684,002	(1,365,905)
3.5.2 Transportation of Dangerous Goods Oversight		
8,758,808	13,837,954	(5,079,146)
3.5.3 Emergency Response for Transportation of Dangerous Goods		
2,650,829	4,218,690	(1,567,861)

Human Resources (FTEs) – For Program and Sub-Programs

Planned	Actual	Difference (planned minus actual)
3.5 Transportation of Dangerous Goods		
124	172	(48)
3.5.1 Transportation of Dangerous Goods Regulatory Framework		
27	42	(15)
3.5.2 Transportation of Dangerous Goods Oversight		
72	105	(33)
3.5.3 Emergency Response for Transportation of Dangerous Goods		
25	25	0

Please refer to Section I: Organizational Expenditure Overview regarding budgetary financial and human resources variance explanations.

Performance Results – For Program and Sub-Programs

Expected Results	Performance Indicators	Targets	Actual Results
3.5 Transportation of Dangerous Goods			
Public safety during the transportation of dangerous goods	Number of reportable releases of dangerous goods per trillion dollars of Canadian gross domestic product (five-year average) (Improvement = decrease)	193.5	203.1
Public safety during the transportation of dangerous goods	Number of reportable releases of dangerous goods, which caused injuries or deaths per trillion dollars of Canadian gross domestic product (five-year average) (Improvement = decrease)	3.3	3.7

There were more accidents in 2014–15 that involved a dangerous goods release than in the previous year. This increase can be attributed to more accidents occurring in transit, rather than during handling at points of origin and destination.

The majority of accidents which caused deaths or injuries involved a single death or injury.

Expected Results	Performance Indicators	Targets	Actual Results
3.5.1 Transportation of Dangerous Goods Regulatory Framework			
The harmonization of the *Transportation of Dangerous Goods Regulations* with international regulations and national standards	Percentage of all new or amended regulatory requirements that are made to seek harmonization with international regulations (Improvement = increase)	70%[39]	This initiative is on-track in the second year of a three-year plan (currently estimated at 75%)
3.5.2 Transportation of Dangerous Goods Oversight			
The dangerous goods industry is compliant	Percentage of inspections in which the compliance score recorded in Inspection Information System is greater than 8 (severity of non-compliance x risk associated to Class of Dangerous Goods) (Improvement = decrease)	This indicator is under review	This indicator is under review
3.5.3 Emergency Response for Transportation of Dangerous Goods			
Safe operations at accident sites	Percentage of accident sites that are successfully remediated following the intervention of a transportation of dangerous goods subject matter expert. (Improvement = increase)	90%	100%

The Transportation of Dangerous Goods Oversight Program uses a risk-based approach to target inspections complemented by a random compliance estimation program. While there is year-to-year variation in compliance rates, every incident of non-compliance results in a corrective action. The level of severity of non-compliance can vary significantly from missing a placard on a means of containment, to not having an approved emergency response plan, where one is required.

The Program introduced an enhanced Inspector Information System in October 2013 and continues to monitor variances in the number of accident sites that are successfully remediated. From an emergency response perspective, program personnel responded to 100% of accidents, either in person or by telephone, as determined by initial risk assessment methodology. Overall, the Canadian Transport Emergency Centre responded to 22,138 calls including 949 actual emergencies.

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[39] While Transport Canada expects to increase the target over time, given Canadian specificity, the target cannot be 100%. Although difficult to quantify, the analysis suggests that harmonization of Canadian regulations with international regulations is well over the 70% target.

Program 3.6: Aviation Security

Description: The Aviation Security Program develops, administers and oversees the policies, regulations and standards to support the secure conduct of aviation activities in a manner harmonized with international standards. The Program is risked-based and fosters security within the aviation transportation system and provides security oversight of the aviation industry while ensuring that Canada complies with international standards

Sub-Program 3.6.1: Aviation Security Regulatory Framework

Description: The Aviation Security Regulatory Framework program develops and uses a balance of tools (policies, guidelines, regulations and standards) to promote a harmonized aviation security regulatory framework for Canadians and the Canadian aviation industry.

Sub-Program 3.6.2: Aviation Security Oversight

Description: The Aviation Security Oversight program supports the aviation industry's compliance with the regulatory framework through services, assessments and validations, inspections, audits and enforcement. The program also contributes to aviation security through incidence management procedures, plans and tools.

Sub-Program 3.6.3: Aviation Security Technological Infrastructure

Description: The Aviation Security Technological Infrastructure program develops, evaluates and provides stakeholders access to standards, research data and best practices for technologies that assist the effective, consistent management of aviation security risks.

Performance Analysis

Transport Canada continued to reinforce aviation security by strengthening Canada's regime for screening air cargo, enhancing screening of workers at airports and developing airport security plans. We adopted and integrated processes and procedures to support the organization's enhanced oversight regime and established both an overarching national and a region-specific quality control program. As a result, we implemented a Quality Control Framework in January 2015.

We also developed regulatory adjustments to support the Beyond the Border Action Plan by expanding the benefits of NEXUS membership for Canadians travelling in the U.S. and overseeing upgrades to passenger checked baggage screening equipment at key airports. A study completed by the Inter*VISTAS* Consulting Group identified the following improvements associated with these equipment upgrades:

- savings to airlines related to baggage handling costs and the delivery of misdirected bags;
- total projected savings of $17 million U.S. per annum for stakeholders (including airlines and Transportation Security Administration);

- increased harmonization between Canada and the U.S.;
- passenger ease/convenience; and
- benefits to aviation security related to the deployment of the enhanced screening equipment and the ability to refocus resources on bags that require additional screening to resolve potential threats.

The Department continued to support initiatives related to the improvement of Aviation Security while facilitating the transportation of both passengers and goods.

Budgetary Financial Resources (dollars) – For Program

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (authorities used)	Difference (planned minus actual)
3.6 Aviation Security				
31,672,052	31,672,052	35,624,038	32,722,389	(1,050,337)

Budgetary Financial Resources (dollars) – For Sub-Programs

Planned Spending	Actual Spending	Difference (planned minus actual)
3.6.1 Aviation Security Regulatory Framework		
4,956,239	7,264,640	(2,308,401)
3.6.2 Aviation Security Oversight		
18,603,934	23,863,866	(5,259,932)
3.6.3 Aviation Security Technological Infrastructure		
8,111,879	1,593,883	6,517,996

Human Resources (FTEs) – For Program and Sub-Programs

Planned	Actual	Difference (planned minus actual)
3.6 Aviation Security		
300	265	35
3.6.1 Aviation Security Regulatory Framework		
42	59	(17)
3.6.2 Aviation Security Oversight		
201	195	6
3.6.3 Aviation Security Technological Infrastructure		
57	11	46

Please refer to Section I: Organizational Expenditure Overview regarding budgetary financial and human resources variance explanations.

Performance Results – For Program and Sub-Programs

Expected Results	Performance Indicators	Targets	Actual Results
3.6 Aviation Security			
Canada is aligned with international aviation security standards	Percentage of aviation security regulations aligned with International Civil Aviation Organization (ICAO) standards (Improvement = increase)	100%	100%
3.6.1 Aviation Security Regulatory Framework			
Regulatory framework meets international standards	Percentage of the regulatory framework that meets international standards (Improvement = increase)	100%	100%
3.6.2 Aviation Security Oversight			
Stakeholders understand the compliance requirements within the security regulatory framework	Percentage of completed inspections that did not result in a deficiency (Improvement = increase)	90%	95.2%
3.6.3 Aviation Security Technological Infrastructure			
Stakeholders have access to standards	Percentage of approved technologies made available to stakeholders (Improvement = increase)	90%	100%

Program 3.7: Marine Security

Description: The Marine Security Program, under the authority of the *Marine Transportation Security Act*[xxxvi], develops, administers and oversees the policies, regulations and standards necessary for the secure conduct of marine activities in a manner consistent with international standards. The Program promotes security within the marine transportation system, provides oversight of the regulated marine transportation industry and enforces international conventions signed by Canada. The Program coordinates marine security policy and regulatory development across the Government of Canada through its leadership of the Interdepartmental Marine Security Working Group and associated activities.

Sub-Program: 3.7.1: Marine Security Regulatory Framework

Description: The Marine Security Regulatory Framework program provides a balance of tools (policies, guidelines, regulations and standards) to promote a harmonized maritime security regulatory framework for Canadians and the marine industry.

Sub-Program 3.7.2: Marine Security Oversight

Description: The Marine Security Oversight program is risk-based and supports the marine security industry compliance with the regulatory framework through services, assessments and validations, inspections, audits and, when necessary, enforcement.

Sub-Program 3.7.3: Marine Security Operations Centres

Description: The Marine Security Operations Centres program works to detect, assess, and support a response to threats in Canada's maritime domain and approaches as a key partner in the Marine Security Operations Centres, by conducting threat and risk assessments of vessels entering Canadian waters, and threat assessments of facilities within Canada. The Centres also serve as a maritime-centric interface between national and international partners and stakeholders, and support the Marine Security Oversight program. Transport Canada is a partner in the Marine Security Operations Centres along with Canada Border Services Agency, the Canadian Coast Guard, the Department of National Defence, and the Royal Canadian Mounted Police. The threat assessment, and the risk assessment performed by inspectors, provides the basis for the establishment of restricted areas within marine facilities, and the subsequent access control. Only those who have acquired a Marine Transportation Security Clearance would have access to restricted areas. The access control systems would be audited and tested by inspectors in the regions. Failure to control access could lead to enforcement.

Performance Analysis

Transport Canada continued to modernize Marine Security's regulatory and oversight frameworks by developing and amending regulations to:

- align with the evolving marine environment; and
- enhance compliance and oversight activities to minimize the number of incidents on Canadian waters.

On June 19, 2014, the Marine Transportation Security Regulations were amended to primarily:

- incorporate provisions from the International Maritime Organization Convention on Standards of Training, and Certification and Watchkeeping for Seafarers with respect to security training for all vessel personnel;
- further align with the regulatory regime used in the U.S.; and
- address Red Tape Reduction to advance trade between the two countries.

There has been significant progress made in the development of a Tall Ship Security Compliance Program which addresses security requirements for tall ships and marine facilities participating in tall ship designated events.

Transport Canada also advanced work on strengthening its regulatory framework, consistent with international conventions as part of the Action Plan for the Canada–U.S. Regulatory Cooperation Council. The Department also developed, in conjunction with the U.S. Coast Guard, a Regulatory Partnership Statement that:

- details roles and responsibilities;

- identifies stakeholder engagement opportunities and work to be accomplished; and
- identifies two distinct work plans for regional initiatives and a regulatory work plan.

Budgetary Financial Resources (dollars) – For Program

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (authorities used)	Difference (planned minus actual)
3.7 Marine Security				
12,788,946	12,788,946	14,765,418	14,429,160	(1,640,214)

Budgetary Financial Resources (dollars) – For Sub-Programs

Planned Spending	Actual Spending	Difference (planned minus actual)
3.7.1 Marine Security Regulatory Framework		
1,062,648	1,989,984	(927,336)
3.7.2 Marine Security Oversight		
6,861,806	8,112,310	(1,250,504)
3.7.3 Marine Security Operations Centres		
4,864,492	4,326,866	537,626

Human Resources (FTEs) – For Program and Sub-Programs

Planned	Actual	Difference (planned minus actual)
3.7 Marine Security		
117	112	5
3.7.1 Marine Security Regulatory Framework		
7	16	(9)
3.7.2 Marine Security Oversight		
66	61	5
3.7.3 Marine Security Operations Centres		
44	35	9

Please refer to Section I: Organizational Expenditure Overview regarding budgetary financial and human resources variance explanations.

Performance Results – For Program and Sub-Program

Expected Results	Performance Indicators	Targets	Actual Results
3.7 Marine Security			
Industry has confidence in Canadian marine transportation security	Percentage of industry indicating confidence in the Canadian marine security transportation system (Improvement = increase)	80%	80%

Expected Results	Performance Indicators	Targets	Actual Results
3.7.1 Marine Security Regulatory Framework			
A risk-based regulatory framework consistent with international conventions	Percentage of the regulatory framework aligned with domestic legislation and/or adopted international conventions (Improvement = increase)	85%	65%[40]
3.7.2 Marine Security Oversight			
Stakeholders are compliant with the requirements within the Marine Security regulatory framework	Percentage of inspections completed that do not result in an administrative monetary penalty[41] (Improvement = increase)	90%	100%
3.7.3 Marine Security Operations Centres			
The Government of Canada has the necessary information to address marine security threats and/or incidents	Percentage of vessels entering Canadian waters for which a regulatory compliance matrix is completed (Improvement = increase)	100%	100%

Program 3.8: **Surface and Intermodal Security**

Description: The Surface and Intermodal Security Program, guided by the *Railway Safety Act*, the *International Bridges and Tunnels Act*[xxxvii], and the *Transportation of Dangerous Goods Act* develops, administers and oversees the policies, regulations/voluntary frameworks, standards and guidance material necessary for the secure conduct of Surface and Intermodal activities. The Program fosters the security of the surface and intermodal transportation system across Canada.

Performance Analysis

Transport Canada continued to strengthen its oversight program for surface and intermodal transportation by refining its reporting process and enhancing its quality/assurance control program. We:

- reinforced security of international bridges and tunnels in Canada;
- created an International Bridges and Tunnels (IBT) Memorandum Of Understanding (MOU) Management Committee ;
- began implementing an oversight program;
- made progress in terms of negotiation with Class 2 and 3 IBTs including an additional MOU we obtained from one major province; and

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[40] New codes and conventions were introduced resulting in an increase in the amount of regulatory amendments. A gap analysis is currently underway to ensure compliance with international obligations.

[41] Administrative monetary penalties are typically used for medium or high gravity violations or in cases where the person refuses to accept responsibility for the violation.

- continued work on the risk-based analysis on domestic bridge and tunnel security by completing facility-level risk assessments for two major domestic bridges in Quebec.

Budgetary Financial Resources (dollars) – For Program

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (authorities used)	Difference (planned minus actual)
3.8 Surface and Intermodal Security				
4,739,231	4,739,231	5,099,930	5,096,531	(357,300)

Human Resources (FTEs) – For Program

Planned	Actual	Difference (planned minus actual)
3.8 Surface and Intermodal Security		
42	37	5

Please refer to Section I: Organizational Expenditure Overview regarding budgetary financial and human resources variance explanations.

Performance Results – For Program

Expected Results	Performance Indicators	Targets	Actual Results
3.8 Surface and Intermodal Security			
Stakeholders meet the terms and conditions of the voluntary frameworks	Percentage of assessments of site visits and stakeholders' documentation that resulted in a Memorandum of Understanding non-compliance letter being issued (Improvement = decrease)	5%	0%[42]

Program 3.9: Multimodal Safety and Security

Description: The Multimodal Safety and Security Program contributes to policies and standards that enhance safety and/or security in more than one transportation mode (e.g., through integrated management systems and intelligence assessments). It also provides common technical training to employees and system inspectors, ensuring the Department's capacity to inspect operators, enforce regulations, and respond to emergency situations that affect Canada's national transportation system. Lastly, this Program works to prepare for and coordinate the response to emerging safety and security threats and situations that may impact the national transportation system or the Department.

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[42] Letters of non-compliance were not required as outstanding matters were resolved through extensive stakeholder engagement.

Sub-Program 3.9.1: Multimodal Strategies and Integrated Services

Description: The Multimodal Strategies and Integrated Services program provides strategic direction and advice on, and leads the coordination of, cross-cutting issues, and regulatory and policy initiatives affecting transportation in Safety and Security. This program also directs integrated planning and reporting initiatives for Safety and Security. It serves as the main departmental point of contact for security and intelligence matters through its liaison with the Canadian intelligence community and its central role in the sharing and analysis of intelligence information. In addition, this program is responsible for processing requisite transportation security clearances for workers within the national transportation infrastructure.

Sub-Program 3.9.2: Emergency Preparedness and Situation Centres

Description: The Emergency Preparedness and Situation Centres program works to ensure that Transport Canada is prepared for and able to respond to emerging threats and situations that may impact the national transportation system by collaborating closely with partners throughout the Department, industry, stakeholders and other government departments and/or agencies. The program seeks to ensure that the Department continues to successfully meet its responsibilities under the *Emergency Management Act*[xxxviii], including the Government of Canada's emergency management agenda, focusing primarily on preparedness and response activities.

Sub-Program 3.9.3: Integrated Technical Training

Description: The Integrated Technical Training program is responsible for the assessment, design, development, delivery and evaluation of technical and oversight training. This program delivers training products to provide required technical training to the safety and security inspectorate and other clients such as foreign governments. This program ensures Transport Canada inspectors are prepared, equipped and ready to execute their oversight functions in support of safety and security.

Performance Analysis

Transport Canada continued to develop guidelines and tools to guide all Safety and Security Programs in undertaking oversight activities, including the planning and reporting of risk-based inspections. The Transport Canada Directive on Safety and Security Oversight (DOSSO) supports the consistent application of national procedures and refines risk-based inspection planning/reporting and mandates key components of quality assurance is on-track. During the past year, all Programs conducted self-assessments against each element in the DOSSO, which allowed them to identify high-priority areas for further action.

We also developed and implemented a multimodal enforcement plan that established a Centre for Enforcement Expertise (Centre). As a result, we have developed core operational enforcement procedures and launched a multimodal enforcement awareness training program. The Centre will continue its work to engage all programs, to gather knowledge in specific areas of enforcement (investigation, enforcement responses, etc.), and to continually improve the Department's enforcement functions.

The Multimodal Safety and Security Program provided:

- support, coordination and advice related to Transport Canada's regulatory governance, systems and processes;
- cost-benefit analyses and expertise to regulators on specific regulatory initiatives; and
- support in implementing the Government's Red Tape Reduction Initiative.

We continued work to modernize our Emergency Preparedness Program with an improved Situation Centre, taking on a more proactive role in dealing with threats and emerging situations. The Department created this new organizational model by amalgamating the Civil Aviation Contingency Operations (CACO) and co-locating the Canadian Transport Emergency Centre (CANUTEC) in the Transport Canada Situation Centre (TCSC). Adopting this new model has:

- maintained program delivery excellence;
- created a more robust incident and crisis response operation centre to serve the Department nationally across all modes; and
- allowed close collaboration among all levels of government, other government departments (for example, Public Safety, Health Canada and Canadian Heritage) and all Transport Canada Groups and regional offices to increase the Department's state of readiness and ensure the effective management of emergencies affecting the national transportation system and the Department.

Budgetary Financial Resources (dollars) – For Program

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (authorities used)	Difference (planned minus actual)
3.9 Multimodal Safety and Security				
11,153,164	11,153,164	18,322,753	19,315,574	(8,162,410)

Budgetary Financial Resources (dollars) – For Sub-Programs

Planned Spending	Actual Spending	Difference (planned minus actual)
3.9.1 Multimodal Strategies and Integrated Services		
8,337,878	10,409,636	(2,071,758)
3.9.2 Emergency Preparedness and Situation Centres		
2,047,230	4,082,609	(2,035,379)
3.9.3 Integrated Technical Training		
768,056	4,823,329	(4,055,273)

Human Resources (FTEs) – For Program and Sub-Programs

Planned	Actual	Difference (planned minus actual)
3.9 Multimodal Safety and Security		
119	162	(43)
3.9.1 Multimodal Strategies and Integrated Services		
91	86	5
3.9.2 Emergency Preparedness and Situation Centres		
20	37	(17)
3.9.3 Integrated Technical Training		
8	39	(31)

Please refer to Section I: Organizational Expenditure Overview regarding budgetary financial and human resources variance explanations.

Performance Results – For Program and Sub-Programs

Expected Results	Performance Indicators	Targets	Actual Results
3.9 Multimodal Safety and Security			
Transportation safety and security issues are managed in a consistent manner across all modes	Percentage of successful completion of 3.9 tasks in support of Strategic Outcome Priorities (Improvement = increase)	This indicator is currently under review.	This indicator is currently under review.

Expected Results	Performance Indicators	Targets	Actual Results
3.9.1 Multimodal Strategies and Integrated Services			
Internal stakeholders have the information they need to manage safety and security transportation issues in an integrated and consistent manner across modes	Percentage of Safety and Security Modes' clients indicating a satisfactory rate (at least 80%) on services, expertise and guidance provided (Improvement = increase)	This indicator is currently under review.	This indicator is currently under review.
3.9.2 Emergency Preparedness and Situation Centres			
Transport Canada meets its preparedness responsibilities under the *Emergency Management Act*	Rating on the preparedness sections of Public Safety Canada's assessment of the Transport Canada Strategic Emergency Management Plan	85%	81.25%[43]
Transport Canada is able to respond to emergency situations	Rating on Transport Canada Situation Centres readiness status (Improvement = increase)	80%	83%

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[43] This result is from 2012–13; an action plan was developed to address Public Safety Canada's (PS) recommendations for strengthening Transport Canada's strategic emergency management plan however, PS is in the process of updating their planning guide and new assessment program focused on priority areas.

Expected Results	Performance Indicators	Targets	Actual Results
3.9.3 Integrated Technical Training			
Inspectors and technical experts have the technical competencies they require to fulfill their responsibilities according to established standards	Percentage of training recipients that indicate a satisfaction rating of at least 80% on the training courses and workshops (Improvement = increase)	75%	91%

Program 4.1: Internal Services[44]

Description: Internal Services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. These groups are Management and Oversight[45] Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; and Acquisition Services. Internal Services include only those activities and resources that apply across an organization and not to those provided specifically to a program.

Performance Analysis

Transport Canada continued to ensure its readiness to adapt to business processes and workforce capacity within Internal Services, to respond to new public service directions, and to find internal efficiencies.

Internal audits and reviews gave the Audit Committee, the Deputy Minister and senior management independent and objective assurance and advice on all important aspects of risk management, management practices and controls. Examples include:

- The Audits of Governance, Organizational Classification and Integrated Planning, Budgeting and Forecasting highlighted the critical role enablers and stewards play, the importance of greater alignment with the larger agenda of government-wide reforms, and the need for more meaningful performance measurements beyond financial indicators.
- The Audit of the Security Clearance Process pointed to the need to strengthen the management control framework around some aspects of physical and IM/IT security as well as to enhance reporting.
- The Review of Quality Management Systems framework confirmed that there are overarching issues in departmental oversight programs with respect to inspection planning, conduct, reporting and monitoring, and overall quality assurance.

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[44] Performance measurement information is not provided as the Treasury Board Secretariat is currently developing government-wide standardized Internal Services Performance Measurement Framework.

[45] Management and Oversight Services include the following service groupings: Strategic Policy and Intergovernmental Relations, Executive Services, Corporate Planning and Reporting, Internal Audit, Evaluation, Integrity Office, Crown Corporation Governance and Internal Management.

- The Commissioner of the Environment and Sustainable Development's audits highlighted Transport Canada's efforts in carrying out the detection of hazardous and noxious substances, in improving information about risks from small vessels and improving the management of vessel traffic data. Going forward the Department will build on these initiatives along with other departments in envisioning a strategy for the North.

The Department ensured strong audit and evaluation functions by:

- implementing approved annual risk-based audit and evaluation plans;
- reporting audit and evaluation findings to an external Audit Committee and to an Evaluation Committee;
- proactively monitoring and assessing risk; and
- reporting on outstanding external and internal audit and evaluation recommendations.

We also pursued ways to improve information management system efficiency and capacity to ensure Transport Canada data are complete, consistent, reliable, and shareable. We established successful partnerships with Shared Services Canada and maintained the ability to provide reliable and efficient Information Management/ Information Technology (IM/IT) operations during Government of Canada transformation toward centralized services. We made many IM/IT security enhancements and expanded national videoconferencing capability to improve collaboration through exchange of information. The planning for new e-mail services and Microsoft Office 2013 began/ progressed significantly.

Additionally, improvements to IM/IT Governance has increased stakeholder and senior management engagement ensuring we can meet business needs and support priorities by optimal and cost-effective IM/IT solutions. Greater IM/IT awareness at various organizational levels has increased engagement in business cases and systems design. Application Rationalization, Systems Architecture and Decision Support initiatives are underway to focus on improving data use.

Budgetary Financial Resources (dollars) – For Program

Main Estimates	Planned Spending	Total Authorities (available for use)	Actual Spending (authorities used)	Difference (planned minus actual)
151,536,296	163,327,800	162,567,859	165,516,583	(2,188,783)

Human Resources (FTEs) – For Program

Planned	Actual	Difference (planned minus actual)
1,163	1,188	(25)

Please refer to Section I: Organizational Expenditure Overview regarding budgetary financial and human resources variance explanations.

Section III: Supplementary Information

Financial Statement Highlights

Financial Statements

Transport Canada
Condensed Statement of Operations and Departmental Net Financial Position (Unaudited)
For the Year Ended March 31, 2015
(thousands of dollars)

	2014–15 Planned Results	2014–15 Actual	2013–14 Actual	Difference (2014–15 actual minus 2014–15 planned)	Difference (2014–15 actual minus 2013–14 actual)
Total expenses	1,774,097	1,765,590	1,530,246	(8,507)	235,344
Total revenues	86,917	89,385	87,892	2,468	1,493
Net cost of operations before government funding and transfers	1,687,180	1,676,205	1,449,110	(10,975)	227,095
Departmental net financial position	n/a	1,351,486	1,357,604	n/a	(6,118)

Transport Canada
Condensed Statement of Financial Position (Unaudited)
As at March 31, 2015 (thousands of dollars)

	2014–15	2013–14	Difference (2014–15 minus 2013–14)
Total net liabilities	1,883,043	1,637,335	245,708
Total net financial assets	976,643	716,708	259,935
Departmental net debt	906,400	920,627	(14,227)
Total non-financial assets	2,257,886	2,278,231	(20,345)
Departmental net financial position	1,351,486	1,357,604	(6,118)

Transport Canada's financial reports are available on our website[xxxix].

Supplementary Information Tables

The supplementary information tables listed in the 2014–15 Departmental Performance Report can be found on Transport Canada's website[xl].

- Departmental Sustainable Development Strategy
- Details on Transfer Payment Programs of $5 Million or more
- Horizontal Initiatives
- Internal Audits and Evaluations
- Response to Parliamentary Committees and External Audits
- Status Report on Projects Operating With Specific Treasury Board Approval
- Status Report on Transformational and Major Crown Projects
- User-Fees, Regulatory Charges and External Fees

Tax Expenditures and Evaluations

The tax system can help achieve public policy objectives by applying special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures annually in the Tax Expenditures and Evaluations[xli] publication. The tax measures presented in the Tax Expenditures and Evaluations publication are the sole responsibility of the Minister of Finance.

Section IV: Organizational Contact Information

Transport Canada welcomes your comments on this report:

Email: Questions@tc.gc.ca
Phone: 613-990-2309
Toll Free: 1-866-995-9737
Teletypewriter (TTY): 1-888-675-6863
Fax: 613-954-4731

Mailing Address:
Transport Canada (ADI)
330 Sparks Street
Ottawa, ON K1A 0N5

Appendix: Definitions

Appropriation (*crédit*): Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

Budgetary expenditures (*dépenses budgétaires*): Includes operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Departmental Performance Report (*rapport ministériel sur le rendement*): Reports on an appropriated organization's actual accomplishments against the plans, priorities and expected results set out in the corresponding Report on Plans and Priorities. These reports are tabled in Parliament in the fall.

Full-time equivalent (*équivalent temps plein*): Is a measure of the extent to which an employee represents a full person-year charge against a Departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

Government of Canada outcomes (*résultats du gouvernement du Canada*): A set of 16 high-level objectives defined for the government as a whole, grouped in four spending areas: economic affairs, social affairs, international affairs and government affairs.

Management, Resources and Results Structure (*Structure de la gestion, des ressources et des résultats*): A comprehensive framework that consists of an organization's inventory of programs, resources, results, performance indicators and governance information. Programs and results are depicted in their hierarchical relationship to each other and to the Strategic Outcome(s) to which they contribute. The Management, Resources and Results Structure is developed from the Program Alignment Architecture.

Non-budgetary expenditures (*dépenses non budgétaires*): Includes net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

Performance (*rendement*): What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve and how well lessons learned have been identified.

Performance indicator (*indicateur de rendement*): A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

Performance reporting (*production de rapports sur le rendement*): The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

Planned spending (*dépenses prévues*): For Reports on Plans and Priorities (RPPs) and Departmental Performance Reports (DPRs), planned spending refers to those amounts that receive Treasury Board approval by February 1. Therefore, planned spending may include amounts incremental to planned expenditures presented in the Main Estimates.

A Department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a Departmental responsibility, and Departments must be able to defend the expenditure and accrual numbers presented in their RPPs and DPRs.

Plan (*plan*): The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

Priorities (*priorité*): Plans or projects that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s).

Program (*programme*): A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results and that are treated as a budgetary unit.

Program Alignment Architecture (*architecture d'alignement des programmes*)**:** A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

Report on Plans and Priorities (*rapport sur les plans et les priorités*): Provides information on the plans and expected performance of appropriated organizations over a three-year period. These reports are tabled in Parliament each spring.

Result (*résultat*): An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

Statutory expenditures (*dépenses législatives*): Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

Strategic Outcome (*résultat stratégique*): A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

Sunset program (*programme temporisé*): A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

Target (*cible*): A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

Voted expenditures (*dépenses votées*): Expenditures that Parliament approves annually through an Appropriation Act. The Vote wording becomes the governing conditions under which these expenditures may be made.

Whole-of-government framework (*cadre pangouvernemental*): Maps the financial contributions of federal organizations receiving appropriations by aligning their Programs to a set of 16 government-wide, high-level outcome areas, grouped under four spending areas.

Endnotes

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[i] Mandate letter: http://www.pm.gc.ca/eng/minister-transport-mandate-letter
[ii] Transport Canada Portfolio: http://www.tc.gc.ca/eng/aboutus-abouttc.html
[iii] St. Lawrence Seaway Management Corporation: http://www.greatlakes-seaway.com/en/index.html
[iv] Great Lakes Pilotage Authority: http://www.glpa-apgl.com/homePage_e.asp
[v] Canada Post Corporation: https://www.canadapost.ca/web/en/home.page
[vi] Transportation Appeal Tribunal of Canada: http://www.tatc.gc.ca/index.php?lang=eng
[vii] The legislative authority in support of Transport Canada's mandate: http://laws-lois.justice.gc.ca/eng/acts/T-18/
[viii] Laws related to transportation: http://www.tc.gc.ca/eng/acts-regulations/acts.htm
[ix] Department of Justice Canada: http://laws-lois.justice.gc.ca/eng/
[x] Transport Canada website: http://www.tc.gc.ca/eng/menu.htm
[xi] Government of Canada outcome areas: http://www.tbs-sct.gc.ca/ppg-cpr/frame-cadre-eng.aspx
[xii] Transport Canada's 2013–14 Report on Plans and Priorities: http://www.tc.gc.ca/eng/corporate-services/planning-rpp-2013-14-999.htm
[xiii] Public Accounts of Canada 2014: http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html
[xiv] Transport Canada website: http://www.tc.gc.ca/eng/menu.htm
[xv] *International Bridges and Tunnels Act:* http://www.tc.gc.ca/eng/acts-regulations/acts-2007c1.htm
[xvi] Canada's Gateways: http://canadasgateways.gc.ca/index2.html
[xvii] Asia-Pacific Gateway and Corridor Initiative: http://www.asiapacificgateway.gc.ca/index2.html
[xviii] Continental Gateway and Trade Corridor: http://www.continentalgateway.ca/index2.html
[xix] Atlantic Gateway and Trade Corridor: http://www.atlanticgateway.gc.ca/index2.html
[xx] Beyond the Border Action Plan: actionplan.gc.ca/en/content/beyond-border
[xxi] VIA Rail: http://www.viarail.ca/en/main
[xxii] World-Class Tanker Safety System: http://www.tc.gc.ca/eng/mediaroom/backgrounders-tanker-safety-system-liability-compensation-7091.htm
[xxiii] Responsible Resource Development: http://www.actionplan.gc.ca/en/backgrounder/r2d-dr2/enhancing-marine-safety
[xxiv] 2013–16 Federal Sustainable Development Strategy: https://www.ec.gc.ca/dd-sd/default.asp?lang=En&n=A22718BA-1
[xxv] *Canada Shipping Act, 2001*: http://laws-lois.justice.gc.ca/eng/acts/C-10.15/index.html
[xxvi] *Navigable Waters Protection Act*: http://laws-lois.justice.gc.ca/eng/acts/N-22/index.html
[xxvii] *Safe Containers Convention Act*: http://laws-lois.justice.gc.ca/eng/acts/S-1/index.html
[xxviii] *Pilotage Act*: http://laws-lois.justice.gc.ca/eng/acts/P-14/index.html
[xxix] *Coastal Trading Act*: http://laws-lois.justice.gc.ca/eng/acts/C-33.3/index.html
[xxx] *Arctic Waters Pollution Prevention Act*: http://laws-lois.justice.gc.ca/eng/acts/A-12/
[xxxi] Regulatory Cooperation Council: http://actionplan.gc.ca/en/page/rcc-ccr/regulatory-cooperation-council
[xxxii] *Railway Safety Act*: http://laws-lois.justice.gc.ca/eng/acts/R-4.2/index.html
[xxxiii] 2013 Fall Report of the Auditor General of Canada: http://www.oagbvg.gc.ca/internet/English/parl_oag_201311_07_e_38801.html
[xxxiv] *Motor Vehicle Safety Act*: http://laws-lois.justice.gc.ca/eng/acts/M-10.01/index.html
[xxxv] *Transportation of Dangerous Goods Act*, 1992: http://laws-lois.justice.gc.ca/eng/acts/T-19.01/
[xxxvi] *Marine Transportation Security Act*: http://laws-lois.justice.gc.ca/eng/acts/M-0.8/
[xxxvii] *International Bridges and Tunnels Act*: http://laws-lois.justice.gc.ca/eng/acts/I-17.05
[xxxviii] *Emergency Management Act*: http://laws-lois.justice.gc.ca/eng/acts/E-4.56/
[xxxix] Transport Canada website: http://www.tc.gc.ca/eng/corporate-services/finance-fs-791.htm
[xl] Transport Canada's 2013–14 Report on Plans and Priorities: www.tc.gc.ca/eng/corporate-services/planning-625.htm
[xli] Government of Canada Tax Expenditures: http://www.fin.gc.ca/purl/taxexp-eng.asp